

# **EXHIBIT 1**

1

2 IN THE UNITED STATES DISTRICT COURT  
3 FOR THE DISTRICT OF MASSACHUSETTS

4 Case No. 04 10487 GAO

5 -----)

6 INSITUFORM TECHNOLOGIES, INC.,

7 Plaintiff,

8 vs.

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10 AMERICAN HOME ASSURANCE COMPANY,

11

12 Defendant.

13 -----)

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17 DEPOSITION OF CHRIS CAMPOS, CPA

18 New York, New York

19 Friday, May 11, 2007

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27 Reported by:

28 Toni Allegrucci

29 JOB NO. 194114/9968

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<p style="text-align: right;">Page 2</p> <p>1 2 May 11, 2007 3 9:34 a.m. 4 5 Deposition of CHRIS CAMPOS, held at 6 the offices of Nixon Peabody, LLP, 437 7 Madison Avenue, New York, New York, 8 pursuant to Notice and Federal Rules of 9 Civil Procedure, before Toni Allegrucci, 10 a Notary Public of the State of New 11 York. 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>	<p style="text-align: right;">Page 4</p> <p>1 CAMPOS 2 CHRIS CAMPOS, called as a witness, 3 having been duly sworn by a Notary Public, 4 was examined and testified as follows: 5 EXAMINATION BY 6 MR. DESCHENES: 7 Q. State your name for the record, 8 please. 9 A. Chris Campos. 10 Q. State your business address, 11 please. 12 A. 310 Cedar Lane, Teaneck, New Jersey 13 07666. 14 Q. Good morning, Mr. Campos. 15 A. Good morning, sir. 16 Q. My name is Greg Deschenes, we just 17 briefly met out in the lobby. I represent 18 the defendant in this case, American Home 19 Assurance Company. 20 Thank you for coming in today. 21 A. Okay. You are welcome. 22 Q. Appreciate it. Could you please 23 state your full legal name for the record. 24 A. Chris Campos. 25 Q. What is your date of birth?</p>
<p style="text-align: right;">Page 3</p> <p>1 2 APPEARANCES: 3 4 HOLLAND &amp; KNIGHT, LLP 5 Attorneys for Plaintiff 6 131 S. Dearborn Street 30th Flr. 7 Chicago, Illinois 60603 8 BY: CHARLES L. PHILBRICK, ESQ. 9 10 NIXON PEABODY, LLP 11 Attorneys for Defendant 12 100 Summer Street 13 Boston, Massachusetts 02110 14 BY: GREGORY P. DESCHENES, ESQ. 15 16 17 18 19 20 21 22 23 24 25</p>	<p style="text-align: right;">Page 5</p> <p>1 CAMPOS 2 A. August 17, 1929. 3 Q. Where do you live? 4 A. 121 Chestnut Street, 5 Englewood Cliffs, New Jersey. 6 Q. Are you currently employed? 7 A. Yes. 8 Q. By whom? 9 A. The firm of Campos and Stratis, 10 Professional Association. 11 Q. Are you a principal of that firm? 12 A. Yes, sir. 13 Q. Are there any other principals of 14 that firm? 15 A. There are three other shareholders. 16 Q. How many employees are in the firm? 17 A. In the New Jersey office, 18 approximately eight. 19 Q. And firm wide? 20 A. Oh, another dozen maybe. 21 Q. Where are your other locations 22 besides New Jersey? 23 A. Salt Lake City and Los Angeles. 24 Q. Have you ever been deposed before, 25 sir?</p>

2 (Pages 2 to 5)

<p style="text-align: right;">Page 6</p> <p>1 CAMPOS</p> <p>2 A. Yes, I have.</p> <p>3 Q. Approximately how many times?</p> <p>4 A. Over 200, over the years.</p> <p>5 Q. So you are a very experienced</p> <p>6 witness, correct?</p> <p>7 A. Well, all right, you put it that</p> <p>8 way, yes.</p> <p>9 Q. And what types of different cases,</p> <p>10 generally speaking, have you given deposition</p> <p>11 testimony?</p> <p>12 A. It's involving insurance claims or</p> <p>13 litigation between corporations in which I've</p> <p>14 testified, okay.</p> <p>15 Q. Yes. Let me just give you a brief</p> <p>16 review of the deposition ground rules.</p> <p>17 A. Yes, sir.</p> <p>18 Q. We are here today to get your</p> <p>19 testimony and find out the opinions you have</p> <p>20 in connection with this case. I'm going to</p> <p>21 ask you a series of questions. As the Court</p> <p>22 Reporter indicated before we went on the</p> <p>23 record, please let me finish the question</p> <p>24 before you answer; in order for the Court</p> <p>25 Reporter to accurately transcribe my</p>	<p style="text-align: right;">Page 8</p> <p>1 CAMPOS</p> <p>2 Q. Are you on any special medications</p> <p>3 that may affect your memory?</p> <p>4 A. No, sir.</p> <p>5 Q. Are you represented by counsel here</p> <p>6 today?</p> <p>7 A. No.</p> <p>8 Q. Mr. Philbrick, who represents the</p> <p>9 plaintiff Insituform, may make objections</p> <p>10 from time to time, he looks shocked, but he</p> <p>11 may, and you understand because you are an</p> <p>12 experienced witness and deponent that just</p> <p>13 because he makes an objection, you are</p> <p>14 supposed to answer the question if you</p> <p>15 understand it.</p> <p>16 Is that okay with you?</p> <p>17 A. Yes.</p> <p>18 Q. Unless he instructs you not to</p> <p>19 answer. Is that okay?</p> <p>20 A. Yes, yes, sir.</p> <p>21 Q. Let me ask you a couple general</p> <p>22 questions about your educational background.</p> <p>23 Did you attend college?</p> <p>24 A. Yes.</p> <p>25 Q. Where?</p>
<p style="text-align: right;">Page 7</p> <p>1 CAMPOS</p> <p>2 questions and your answers, we must try not</p> <p>3 to talk over each other.</p> <p>4 Is that okay with you?</p> <p>5 A. Yes, sir.</p> <p>6 Q. You must give verbal answers, "yes"</p> <p>7 or "no," rather than head nods or "um-hum,"</p> <p>8 which do not show up on the transcript.</p> <p>9 Is that understandable to you?</p> <p>10 A. Yes, sir.</p> <p>11 Q. If you don't understand a question,</p> <p>12 please let me know and I'll try to rephrase</p> <p>13 it, otherwise, if you answer I will assume</p> <p>14 you understood the question.</p> <p>15 Is that okay with you?</p> <p>16 A. Yes, sir.</p> <p>17 Q. You understand that you are under</p> <p>18 oath, and that my client is relying on the</p> <p>19 answers you give here today?</p> <p>20 Do you understand that?</p> <p>21 A. Yes, I do.</p> <p>22 Q. Is there anything that would affect</p> <p>23 your ability to testify fully and truthfully</p> <p>24 here today?</p> <p>25 A. No, sir.</p>	<p style="text-align: right;">Page 9</p> <p>1 CAMPOS</p> <p>2 A. Rutgers University in New Jersey.</p> <p>3 Q. Did you graduate?</p> <p>4 A. Yes, sir.</p> <p>5 Q. When?</p> <p>6 A. 1951.</p> <p>7 Q. What was your major or degree in?</p> <p>8 A. Bachelor of Science in Accounting.</p> <p>9 Q. Have you taken any post-graduate</p> <p>10 courses?</p> <p>11 A. Yes, I did.</p> <p>12 Q. Where?</p> <p>13 A. Both at Rutgers and New York</p> <p>14 University.</p> <p>15 Q. When?</p> <p>16 A. Shortly after I graduated</p> <p>17 undergraduate school.</p> <p>18 Q. In 1951?</p> <p>19 A. Yes.</p> <p>20 Q. In what area of studies did you</p> <p>21 take postgraduate level courses?</p> <p>22 A. In accounting.</p> <p>23 Q. Did you graduate from any of those</p> <p>24 graduate programs?</p> <p>25 A. No, I did not. My courses were</p>

<p style="text-align: right;">Page 10</p> <p>1 CAMPOS</p> <p>2 interrupted for service in the Army, and I</p> <p>3 never went back.</p> <p>4 <b>Q. So you have no advanced degrees; is</b></p> <p>5 <b>that correct?</b></p> <p>6 A. That's correct.</p> <p>7 <b>Q. Have you taken any other</b></p> <p>8 <b>professional continuing education type</b></p> <p>9 <b>courses?</b></p> <p>10 A. Yes, I do.</p> <p>11 <b>Q. Can you describe just generally</b></p> <p>12 <b>what those courses entailed?</b></p> <p>13 A. A variety of continuing</p> <p>14 professional education courses that are</p> <p>15 required to maintain my license, both</p> <p>16 sponsored by either the American Institute of</p> <p>17 CPAs, New York Society of CPAs or the</p> <p>18 New Jersey Society of CPAs.</p> <p>19 I took one last week on fraud,</p> <p>20 okay. Whatever, I take them on business</p> <p>21 valuations, I take them on litigation</p> <p>22 support. When I see them, if they are of</p> <p>23 interest to me or if they are things that</p> <p>24 would benefit me and my practice, I sign up</p> <p>25 for them.</p>	<p style="text-align: right;">Page 12</p> <p>1 CAMPOS</p> <p>2 that specific field, nor have I ever seen one</p> <p>3 of those offered specifically for pipe.</p> <p>4 <b>Q. Okay. What is your current</b></p> <p>5 <b>occupation?</b></p> <p>6 A. Well, I'm a Certified Public</p> <p>7 Accountant and I'm president of Campos and</p> <p>8 Stratis, a Professional Association.</p> <p>9 <b>Q. How long have you been a Certified</b></p> <p>10 <b>Public Accountant?</b></p> <p>11 A. Five years.</p> <p>12 <b>Q. Since 1957?</b></p> <p>13 A. Actually since in 1956 I think, a</p> <p>14 few more years.</p> <p>15 <b>Q. Beginning after you left, was it</b></p> <p>16 <b>the Army?</b></p> <p>17 A. Yes.</p> <p>18 <b>Q. After you left the Army and you</b></p> <p>19 <b>graduated from college, could you please tell</b></p> <p>20 <b>me generally about your employment history?</b></p> <p>21 A. Actually I was employed by a firm</p> <p>22 then known as Ernst &amp; Ernst.</p> <p>23 <b>Q. Is that after you left the Army?</b></p> <p>24 A. No. I was working for them upon</p> <p>25 graduation, even in an internship program</p>
<p style="text-align: right;">Page 11</p> <p>1 CAMPOS</p> <p>2 <b>Q. You mentioned that you have to take</b></p> <p>3 <b>these courses in order to maintain your</b></p> <p>4 <b>license; is that correct?</b></p> <p>5 A. Yes.</p> <p>6 <b>Q. Can you tell me what the</b></p> <p>7 <b>requirements are for maintaining your license</b></p> <p>8 <b>in New Jersey?</b></p> <p>9 A. It's X number of hours over a three</p> <p>10 year period, it varies by state. My</p> <p>11 secretary keeps a record of them, when I came</p> <p>12 back last week I gave her the certificate</p> <p>13 with the four hours and, you know, when it</p> <p>14 gets close to the deadline I, you know,</p> <p>15 several months before the deadline I look to</p> <p>16 see to make sure I comply.</p> <p>17 <b>Q. Understood. Have you taken any</b></p> <p>18 <b>continuing education courses in the area of</b></p> <p>19 <b>accounting for pipe rehabilitation companies?</b></p> <p>20 A. I have not. I don't recall ever</p> <p>21 seeing one.</p> <p>22 <b>Q. Have you ever taken any continuing</b></p> <p>23 <b>education courses on costs related to pipe</b></p> <p>24 <b>rehabilitation or trenchless technology?</b></p> <p>25 A. No, again, I have not taken one in</p>	<p style="text-align: right;">Page 13</p> <p>1 CAMPOS</p> <p>2 during my senior year.</p> <p>3 <b>Q. Can I just stop you and ask you</b></p> <p>4 <b>when that was?</b></p> <p>5 A. 1951. And then I was taking the</p> <p>6 graduate courses at night, I was interrupt --</p> <p>7 my work for Ernst &amp; Ernst was interrupted in</p> <p>8 April of '52 to go to the Army, for two</p> <p>9 years, where I was in the Army Audit Agency,</p> <p>10 and I returned to Ernst &amp; Ernst in 1954.</p> <p>11 <b>Q. And after you returned to</b></p> <p>12 <b>Ernst &amp; Ernst in 1954, what was your position</b></p> <p>13 <b>then?</b></p> <p>14 A. I was a staff accountant, and</p> <p>15 worked my way up to the point where I was a</p> <p>16 partner when I left in 19-- late 1968, early</p> <p>17 1969.</p> <p>18 <b>Q. And where did you work for</b></p> <p>19 <b>Ernst &amp; Ernst, was it in New York City?</b></p> <p>20 A. At first it was New York City and</p> <p>21 then it was the Newark office. I was one of</p> <p>22 a group of six that opened the Newark office</p> <p>23 for Ernst.</p> <p>24 <b>Q. And when was that?</b></p> <p>25 A. '56, something like that.</p>

4 (Pages 10 to 13)

<p style="text-align: right;">Page 14</p> <p>1 CAMPOS</p> <p>2 Q. You mentioned that you started out</p> <p>3 as a staff accountant and worked your way up</p> <p>4 to partner; is that correct?</p> <p>5 A. Yes.</p> <p>6 Q. At Ernst &amp; Ernst?</p> <p>7 A. Yes, sir.</p> <p>8 Q. When did you become partner at</p> <p>9 Ernst &amp; Ernst?</p> <p>10 A. In 1968.</p> <p>11 Q. While you were at Ernst &amp; Ernst,</p> <p>12 what were your duties and responsibilities?</p> <p>13 A. I was on the audit staff, so I</p> <p>14 conducted and supervised audits of</p> <p>15 corporations and, at the same time, I was one</p> <p>16 of a few who were involved in business</p> <p>17 interruption insurance claims on behalf of</p> <p>18 our clients, and defensive product liability</p> <p>19 claims.</p> <p>20 Q. While you were with Ernst &amp; Ernst,</p> <p>21 did you specialize in any one industry or</p> <p>22 another?</p> <p>23 A. No. I worked on a variety of</p> <p>24 industries.</p> <p>25 Q. So for instance, you did not</p>	<p style="text-align: right;">Page 16</p> <p>1 CAMPOS</p> <p>2 I don't want to say that I "specialize"</p> <p>3 because the profession frowns on it.</p> <p>4 Q. I understand your concern. You</p> <p>5 mentioned conducting and supervising audits</p> <p>6 of corporations, you also mentioned working</p> <p>7 on business interruption insurance claims and</p> <p>8 defensive products liability claims.</p> <p>9 A. Yes, sir.</p> <p>10 Q. Can you tell me what involvement,</p> <p>11 while you were at Ernst &amp; Ernst, did you have</p> <p>12 in working on business interruption insurance</p> <p>13 claims?</p> <p>14 A. Well, insurance companies would</p> <p>15 hire us, and specifically a partner that I</p> <p>16 worked for at the time, and me, as opposed to</p> <p>17 the rest of the people in the firm, to</p> <p>18 represent them in analyzing insurance claims</p> <p>19 presented by insureds for property damage and</p> <p>20 business interruption.</p> <p>21 Q. So did that work involve working as</p> <p>22 an expert consultant in evaluating damages</p> <p>23 claims?</p> <p>24 A. It really involved, in most</p> <p>25 instances, being a consultant. In very few</p>
<p style="text-align: right;">Page 15</p> <p>1 CAMPOS</p> <p>2 specialize in the area of construction, the</p> <p>3 construction industry; is that correct?</p> <p>4 A. First of all, if I may put it on</p> <p>5 the record, we accountants cannot claim we</p> <p>6 "specialize" in anything because otherwise it</p> <p>7 would be a self-proclamation of a specialty.</p> <p>8 We don't have specialties like doctors do,</p> <p>9 okay.</p> <p>10 So basically you might say, did I</p> <p>11 limit my practice to, and the answer is no, I</p> <p>12 did not, but I did work on construction</p> <p>13 claims, okay.</p> <p>14 Q. Okay. Let me take a step back. I</p> <p>15 didn't mean by using the term "specialized"</p> <p>16 as a term of art, like a doctor.</p> <p>17 A. Okay. Right.</p> <p>18 Q. I meant "focused" by "specialized,"</p> <p>19 but let me just rephrase it.</p> <p>20 Did you focus your practice on</p> <p>21 construction industry claims?</p> <p>22 A. No, but construction was part of my</p> <p>23 practice.</p> <p>24 Q. Okay.</p> <p>25 A. And just, I just wanted the record,</p>	<p style="text-align: right;">Page 17</p> <p>1 CAMPOS</p> <p>2 cases did it go to court, okay.</p> <p>3 Q. I was going to ask. You were</p> <p>4 anticipating what I was going to ask.</p> <p>5 A. No, I'm sorry, I wasn't. In other</p> <p>6 words, in the majority of cases it didn't go</p> <p>7 to court, okay, it was resolved between the</p> <p>8 two parties, okay.</p> <p>9 Q. Right. So you were retained in</p> <p>10 these cases by insurance companies?</p> <p>11 A. Yes, sir.</p> <p>12 Q. For the most part?</p> <p>13 A. Yes, sir.</p> <p>14 Q. Did you do any work while you were</p> <p>15 in Ernst &amp; Ernst in the business interruption</p> <p>16 insurance area for policyholders or insureds?</p> <p>17 A. No, sir.</p> <p>18 Q. And you also mentioned defense of</p> <p>19 products liability claims?</p> <p>20 A. Yes, sir.</p> <p>21 Q. What was your involvement in the</p> <p>22 defense of products liability claims while</p> <p>23 you were at Ernst &amp; Ernst?</p> <p>24 A. An insurance company hired me in</p> <p>25 particular, as a matter of reference from</p>

5 (Pages 14 to 17)



Page 18

1 CAMPOS  
 2 some other office referred them to me, to  
 3 defend them in cases where they were involved  
 4 in litigation in a products liability claim.  
 5 **Q. What kind of services would you**  
 6 **provide in the defense of a products**  
 7 **liability claim?**  
 8 A. Review and analyze the claim made.  
 9 Most of those cases were involving defending  
 10 Westinghouse, who was an insured of the  
 11 insurance company, not solely, but many of  
 12 them, okay.  
 13 **Q. And what were you analyzing in**  
 14 **those cases?**  
 15 A. The claim that was made by the  
 16 electric utility or whoever was involved.  
 17 There are a lot of electric utility cases  
 18 where they were claiming that they bought a  
 19 generating unit that was supposed to generate  
 20 800 megawatts, and was only generating 600,  
 21 they would be making a claim for damages for  
 22 the difference between the two, and I would  
 23 be involved in analyzing those claims, okay.  
 24 **Q. Understood. So your involvement in**  
 25 **analyzing those claims was analyzing the**

Page 19

1 CAMPOS  
 2 **damages of those claims; is that correct,**  
 3 **sir?**  
 4 A. The damages, yes.  
 5 **Q. And you mentioned, I believe, that**  
 6 **you left Ernst & Ernst in 1969; is that**  
 7 **correct?**  
 8 A. Early 1969, yes.  
 9 **Q. Okay. Before you left**  
 10 **Ernst & Ernst you became a Certified Public**  
 11 **Accountant; is that correct?**  
 12 A. Yeah, sometime before, yeah.  
 13 **Q. What year did you become a CPA?**  
 14 A. I think in 1956.  
 15 **Q. Can you tell me what you had to do**  
 16 **in order to become a CPA?**  
 17 A. Well, you had to, before you could  
 18 sit before the CPA exam, in those days you  
 19 had to have certain courses, college courses,  
 20 in auditing, accounting, commercial law,  
 21 etc., as a foundation for your sitting, and  
 22 you would sit for a two and a half day  
 23 examination, four parts, and you'd have  
 24 successfully passed those four parts and then  
 25 you also needed to have two or three years, I

Page 20

1 CAMPOS  
 2 can't recall exactly, of experience with an  
 3 accounting firm before you could become a CPA  
 4 MR. DESCHENES: Off the record.  
 5 (Off-the-record discussion held.)  
 6 **Q. You left Ernst & Ernst in 1969 and,**  
 7 **at that time, what did you do then?**  
 8 A. I started an accounting firm called  
 9 Chris Campos CPA.  
 10 **Q. And is that the same firm that you**  
 11 **are president of and shareholder of today?**  
 12 A. Yes. It's the predecessor to, yes.  
 13 **Q. Today do you specialize in any**  
 14 **area -- strike that, because I know you don't**  
 15 **like the word "specialize."**  
 16 **Do you focus today on any area of**  
 17 **accounting?**  
 18 A. Well, first, we do not do  
 19 conventional accounting; we do not do audits,  
 20 do not do taxes. We are involved only in  
 21 insurance claims or litigation support or  
 22 involved in lawsuits on behalf of  
 23 corporations or individuals.  
 24 So all of our work is what they now  
 25 call "forensic accounting," which we were

Page 21

1 CAMPOS  
 2 doing before they coined the term.  
 3 **Q. Why did you leave Ernst & Ernst in**  
 4 **1969?**  
 5 A. Two opportunities presented  
 6 themselves to me, I was not seeking them, but  
 7 they were proposed to me, and also Ernst, in  
 8 those days, was not interested in the  
 9 insurance claims and I was the only one who  
 10 was willing to extend himself and put the  
 11 extra time and effort into the insurance  
 12 claim.  
 13 At the beginning of the year each  
 14 of us had a list of clients with an estimated  
 15 number of hours that you'd spend with each  
 16 client, then you'd have the insurance company  
 17 with a question mark, so you never knew how  
 18 many hours it was going to be, when it was  
 19 going to be, I was the only one willing to do  
 20 that, they weren't interested in that and  
 21 then when these two opportunities presented  
 22 themselves I embarked on my own.  
 23 **Q. And you mentioned in one of your**  
 24 **previous answers that your firm, the Campos**  
 25 **firm, does not focus on traditional areas of**

6 (Pages 18 to 21)

<p style="text-align: right;">Page 22</p> <p><b>CAMPOS</b></p> <p>2 accounting, but focuses instead in forensic 3 accounting or consulting work in the 4 litigation area, has that always been true 5 from 1969 to the present day?</p> <p>6 A. Yes, sir.</p> <p>7 Q. And is "forensic accounting" also 8 referred to sometimes as "investigative 9 accounting"?</p> <p>10 A. We used to call it "investigative 11 accounting" before they coined the term, yes.</p> <p>12 Q. Well, I noticed in your written 13 materials it refers to it as "investigating 14 accounting," so I may use that term; is that 15 fair?</p> <p>16 A. Yes, sir.</p> <p>17 Q. So you have been working in the 18 field of investigative accounting for 30 -- 19 at least in your own firm, for about 38 20 years; is that correct?</p> <p>21 A. My own firm.</p> <p>22 Q. Before that, at Ernst &amp; Ernst, part 23 of your practice was also in the field of 24 investigative accounting; is that correct?</p> <p>25 A. Yes, sir.</p>	<p style="text-align: right;">Page 24</p> <p><b>CAMPOS</b></p> <p>2 A. You mean --</p> <p>3 Q. Do you understand what I mean by 4 that question?</p> <p>5 A. I want to make sure I understand 6 it.</p> <p>7 Q. All right.</p> <p>8 A. In other words, in every issue 9 there's a question of liability and a 10 question of quantum.</p> <p>11 Q. Correct.</p> <p>12 A. We rarely get involved in the 13 liability unless it's accountants malpractice 14 or something along those lines, okay.</p> <p>15 Q. Let me just ask a follow-up 16 question and make it crystal clear. When I 17 referred to "liability," I mean does your 18 firm ever get involved in analyzing whether 19 there is coverage under a policy?</p> <p>20 A. No, sir.</p> <p>21 Q. Your firm's role is strictly in 22 the, as you called it, the quantification of 23 damages; is that correct, sir?</p> <p>24 A. Yes, sir.</p> <p>25 Q. And you mentioned in one of your</p>
<p style="text-align: right;">Page 23</p> <p><b>CAMPOS</b></p> <p>2 Q. Could you briefly describe, and I 3 think you've done this probably a little bit 4 in previous answers but let me ask you again, 5 what generally your firm does in the field of 6 investigative accounting, what kind of work 7 do you do?</p> <p>8 MR. PHILBRICK: Currently?</p> <p>9 MR. DESCHENES: Currently.</p> <p>10 A. We're engaged in all cases to 11 evaluate damages. If we're working for the 12 defendant, evaluate damages that have been 13 presented to determine whether they are 14 reasonable; or if we're working for a 15 plaintiff, in most instances we're called 16 upon to prepare a claim and to assert the 17 damages, okay.</p> <p>18 So basically that's our 19 involvement, it's in the quantification of 20 the claim.</p> <p>21 Q. You mentioned preparing a damages 22 claim in your answer. Do you do work in any 23 other area involving insurance claims; in 24 other words, do you ever provide any expert 25 services in issues involving liability?</p>	<p style="text-align: right;">Page 25</p> <p><b>CAMPOS</b></p> <p>2 previous answers that when you are retained 3 by a defendant often times you will be asked 4 to determine whether the damages of costs are 5 reasonable; is that correct, sir?</p> <p>6 A. Yes, sir.</p> <p>7 Q. And when you are retained by a 8 plaintiff you will prepare a damages claim 9 for the plaintiff; is that correct, sir?</p> <p>10 A. In most cases, yes.</p> <p>11 Q. Is part of your role when you are 12 retained by a plaintiff in an insurance claim 13 to determine whether their damages are 14 reasonable?</p> <p>15 A. Well, when we present a claim we 16 present it objectively and determine that it 17 is reasonable stated in order to present it, 18 yes, when we prepare it, yes.</p> <p>19 Q. So when you prepare a damages claim 20 for a plaintiff, you typically will look at 21 whether the damages are reasonable in the 22 claim; is that correct, sir?</p> <p>23 A. That's right.</p> <p>24 Q. And do you do that in all cases?</p> <p>25 A. Yes, sir.</p>

7 (Pages 22 to 25)



<p style="text-align: right;">Page 26</p> <p>1 CAMPOS</p> <p>2 <b>Q. Now, I won't use the term</b></p> <p>3 <b>"specialty" again because I know that causes</b></p> <p>4 <b>problems but, as I understand it, the focus</b></p> <p>5 <b>on your practice today is on the evaluation</b></p> <p>6 <b>of insurance claims; is that correct, sir?</b></p> <p>7 A. And litigation.</p> <p>8 <b>Q. And other types of litigation?</b></p> <p>9 A. Oh, yeah.</p> <p>10 <b>Q. Can you tell me what other types of</b></p> <p>11 <b>litigation, and I'm talking about currently,</b></p> <p>12 <b>I'm not going back in ancient history?</b></p> <p>13 A. Sure, sure. Currently, although</p> <p>14 there may be insurance involved, presently</p> <p>15 hired by the defense in a subrogation action.</p> <p>16 Again, involved in its a four-year</p> <p>17 anniversary the other day of a case involving</p> <p>18 a shareholder dispute, between a former</p> <p>19 president of a company, who is a minority</p> <p>20 shareholder, and the corporation that he</p> <p>21 worked for, okay.</p> <p>22 Get involved in, got one pending</p> <p>23 case that's involved with an architect</p> <p>24 malpractice case, so those are cases, the</p> <p>25 kind of cases that I get involved in, and</p>	<p style="text-align: right;">Page 28</p> <p>1 CAMPOS</p> <p>2 A. Over the years it was a larger</p> <p>3 percentage, yes.</p> <p>4 <b>Q. Okay. Do you currently belong to</b></p> <p>5 <b>any professional societies or associations?</b></p> <p>6 A. Yes, sir.</p> <p>7 <b>Q. Can you tell me what professional</b></p> <p>8 <b>societies or associations you belong to?</b></p> <p>9 A. The American Institute of CPAs, the</p> <p>10 New York State Society of CPAs and the</p> <p>11 New Jersey Society of CPAs. There may be one</p> <p>12 or two other. I think Pennsylvania at one</p> <p>13 point, but I may have dropped out, I don't</p> <p>14 know, but New York and the New Jersey are the</p> <p>15 two that I'm involved in.</p> <p>16 <b>Q. Are you a member of any other</b></p> <p>17 <b>professional groups or associations?</b></p> <p>18 A. Not actively. Over the years I</p> <p>19 have been, but not -- I was a member of the</p> <p>20 Certified Fraud Examiners for a while, but I</p> <p>21 dropped out; as a condition of continued</p> <p>22 membership you had to write articles for them</p> <p>23 so they could publish them for a profit, and</p> <p>24 I decided I didn't want any part of that,</p> <p>25 okay.</p>
<p style="text-align: right;">Page 27</p> <p>1 CAMPOS</p> <p>2 occasionally marital disputes, not too many</p> <p>3 but occasionally. In other cases where loss</p> <p>4 of profits are being claimed by a corporation</p> <p>5 because of some action of the alleged</p> <p>6 wrongdoing, we get involved in that kind of</p> <p>7 thing, okay.</p> <p>8 <b>Q. Today what percentage of your cases</b></p> <p>9 <b>involve insurance claims versus non-insurance</b></p> <p>10 <b>matters?</b></p> <p>11 A. Today, as we sit here today, the</p> <p>12 insurance is a minor part of it, you go back</p> <p>13 a year ago, Hurricane Katrina or whatever, it</p> <p>14 was a big part of it, okay. Who knows, after</p> <p>15 hurricane season starts, it may be a bigger</p> <p>16 percentage again.</p> <p>17 <b>Q. Hopefully not, or maybe in your</b></p> <p>18 <b>case hopefully yes.</b></p> <p>19 MR. PHILBRICK: Hopefully not.</p> <p>20 We're all in the same boat there.</p> <p>21 <b>Q. Today, as we sit here today, it's</b></p> <p>22 <b>not a big percentage of your practice, but</b></p> <p>23 <b>what you are saying, in years past, depending</b></p> <p>24 <b>what you are doing it might be a larger</b></p> <p>25 <b>percentage; is that fair?</b></p>	<p style="text-align: right;">Page 29</p> <p>1 CAMPOS</p> <p>2 <b>Q. Understood. Any other professional</b></p> <p>3 <b>memberships that you can think of?</b></p> <p>4 A. There were several others over the</p> <p>5 years, but I'm not active in them anymore,</p> <p>6 okay.</p> <p>7 <b>Q. Can you remember what those were?</b></p> <p>8 A. Not off the top of my head. I know</p> <p>9 that some of them were involved with some</p> <p>10 publications that on the editorial advisory</p> <p>11 board on those, but again, I'm not active</p> <p>12 with those anymore.</p> <p>13 <b>Q. Do you currently hold any</b></p> <p>14 <b>professional licenses or designations?</b></p> <p>15 A. Yes. Certified Public Accountant,</p> <p>16 yes.</p> <p>17 <b>Q. In what states are you a Certified</b></p> <p>18 <b>Public Accountant?</b></p> <p>19 A. New York, New Jersey, Pennsylvania,</p> <p>20 Florida, Illinois. I was certified in a few</p> <p>21 other states, but I think over the years I've</p> <p>22 dropped out, like Texas, Puerto Rico and a</p> <p>23 few others, okay. Louisiana for sure.</p> <p>24 <b>Q. You are currently licensed there,</b></p> <p>25 <b>sir?</b></p>

8 (Pages 26 to 29)

<p style="text-align: right;">Page 30</p> <p>1 CAMPOS</p> <p>2 A. Yes, sir.</p> <p>3 Q. Do you have any other professional</p> <p>4 licenses or designations, other than what</p> <p>5 you've testified to?</p> <p>6 A. No, sir.</p> <p>7 Q. Have you published any articles or</p> <p>8 papers in your professional area?</p> <p>9 A. Yes, I have.</p> <p>10 Q. Have you authored any articles on</p> <p>11 topics related to the pipe rehabilitation</p> <p>12 industry?</p> <p>13 A. Not that specific, no, sir.</p> <p>14 Q. Have you ever authored any articles</p> <p>15 on topics related to damages claims in the</p> <p>16 construction industry?</p> <p>17 A. Did you say "profits"?</p> <p>18 Q. No. I said "damages claims in the</p> <p>19 construction industry."</p> <p>20 A. Oh, I thought -- okay. Maybe get</p> <p>21 the whole sentence again, please.</p> <p>22 (Record read.)</p> <p>23 Q. Have you ever authored any articles</p> <p>24 related to topics to damages claims in the</p> <p>25 construction industry?</p>	<p style="text-align: right;">Page 32</p> <p>1 CAMPOS</p> <p>2 your curriculum vitae?</p> <p>3 A. Yes.</p> <p>4 Q. Does it accurately reflect your</p> <p>5 education, training and professional</p> <p>6 experience that you've previously testified</p> <p>7 about?</p> <p>8 A. Yes, sir.</p> <p>9 Q. Is there anything in here that you</p> <p>10 would like to update or change?</p> <p>11 A. With respect to the publications,</p> <p>12 as it sets forth in the first sentence, these</p> <p>13 are the publications preceding ten years, and</p> <p>14 says prior.</p> <p>15 Q. Right.</p> <p>16 A. This is I do not believe a complete</p> <p>17 list of what I've done over the years, okay.</p> <p>18 And these were the articles that were</p> <p>19 published in magazines or mainly outside</p> <p>20 publications. In addition to that I authored</p> <p>21 articles that were given at seminars that</p> <p>22 either my firm conducted or I was part of</p> <p>23 that some organization conducted.</p> <p>24 Q. With those qualifications in mind,</p> <p>25 is this Exhibit 1 true and complete today?</p>
<p style="text-align: right;">Page 31</p> <p>1 CAMPOS</p> <p>2 A. I may have, but I don't recall.</p> <p>3 I've done a lot of work in the construction</p> <p>4 industry, I'd have to do some research to</p> <p>5 answer that question.</p> <p>6 Q. Okay. Maybe you can take a look at</p> <p>7 your CV at the break, and we can turn back to</p> <p>8 that at some point.</p> <p>9 MR. DESCHENES: Let's mark this as</p> <p>10 the first exhibit.</p> <p>11 (Campos Exhibit 1, document, marked</p> <p>12 for identification, as of this date.)</p> <p>13 A. Sir, my year and a half working for</p> <p>14 the Army Audit Agency, I was doing, I was</p> <p>15 auditing cost plus fixed fee contracts, for</p> <p>16 construction contractor and for an architect</p> <p>17 engineer, that was all I was doing at the</p> <p>18 time.</p> <p>19 Q. Okay. Did you just get that on the</p> <p>20 record, that answer, okay. The Court</p> <p>21 Reporter has marked Exhibit 1, which I've</p> <p>22 handed to you, I ask you to take a moment to</p> <p>23 review it and then I'll ask you a question.</p> <p>24 A. Yes, sir.</p> <p>25 Q. Is that exhibit in front of you</p>	<p style="text-align: right;">Page 33</p> <p>1 CAMPOS</p> <p>2 A. Yes.</p> <p>3 Q. Mr. Campos, is it fair to say that</p> <p>4 your area of expertise is primarily in the</p> <p>5 area of accounting?</p> <p>6 A. Yes.</p> <p>7 Q. Is it fair to say that your area of</p> <p>8 expertise is limited to accounting?</p> <p>9 A. I think no. I think it's business</p> <p>10 in general, accounting and specific. I've</p> <p>11 had experience in the business world, it's</p> <p>12 not just limited to the accounting aspects.</p> <p>13 Q. Are there any other areas where you</p> <p>14 would consider yourself qualified as an</p> <p>15 expert to testify?</p> <p>16 A. There may be, but I can't off the</p> <p>17 top of my head come up with one right now.</p> <p>18 Q. Do you consider yourself qualified</p> <p>19 as an expert on trenchless or cured in place</p> <p>20 pipe technology?</p> <p>21 A. No, sir. Not that specific, no.</p> <p>22 Q. Do you consider yourself an expert</p> <p>23 on costs associated with trenchless</p> <p>24 technology?</p> <p>25 A. With respect to costs in general,</p>

9 (Pages 30 to 33)

Page 34

1 CAMPOS

2 which would include trenchless technology and

3 other technologies.

4 **Q. So is the answer to that question**

5 **"yes" --**

6 **A. Yes.**

7 **Q. -- you do consider yourself an**

8 **expert in the area of cost associated with**

9 **trenchless technology?**

10 **A. Yes, as a subpart of costs, as a**

11 **general category.**

12 **Q. But you do not consider yourself an**

13 **expert on trenchless or cured in place**

14 **technology; is that correct?**

15 **A. That's right. I answered that**

16 **question earlier, I think.**

17 **Q. Right. Do you consider yourself**

18 **qualified as an expert to testify about the**

19 **repairs made to the pipeliner in this case?**

20 **A. With respect to the out-of-pocket**

21 **costs involved in this case, whether they**

22 **were repair or replacement, whatever they**

23 **might be, yes.**

24 **Q. Okay. My question was slightly**

25 **different than that, and that is this, do you**

Page 35

1 CAMPOS

2 **consider yourself qualified as an expert to**

3 **testify and give opinions about the kind of**

4 **repairs that were required to be made to the**

5 **pipeliner in this case?**

6 **A. The kind of repairs?**

7 **Q. That's correct.**

8 **A. Not the kind, no; the**

9 **quantification of such out-of-pocket costs,**

10 **yes.**

11 **Q. Right. My question goes to, do you**

12 **consider yourself qualified as an expert to**

13 **talk about the methodology of how they went**

14 **about repairing the pipe in this case?**

15 **A. No, sir.**

16 **Q. And you have no opinion one way or**

17 **the other about whether the methods they used**

18 **in repairing this pipe were good, bad or**

19 **indifferent; is that correct?**

20 **A. The scientific or technical**

21 **methods, I have no opinion on that, no.**

22 **Q. Do you have any professional**

23 **designations in the field of evaluating**

24 **damages, sir?**

25 **A. No. I'm not aware that there are**

Page 36

1 CAMPOS

2 any specific designations of that sort.

3 **Q. And you are not a lawyer; is that**

4 **correct?**

5 **A. No, sir, I'm not a lawyer.**

6 **Q. And you don't consider yourself**

7 **qualified to give legal opinions; is that**

8 **correct?**

9 **A. That's correct, and I don't give**

10 **them.**

11 **Q. Fair enough. Have you ever been**

12 **disqualified as an expert in any case?**

13 **A. No, sir.**

14 **Q. Have you ever been precluded from**

15 **offering opinion testimony in any case?**

16 **A. No, sir.**

17 **MR. DESCHENES: Off the record for**

18 **a moment.**

19 **(Recess taken 10:16 until 10:21.)**

20 **Q. Before we took that brief break, I**

21 **was asking you some questions about your**

22 **areas of expertise. Do you recall that?**

23 **A. Yes, sir.**

24 **Q. And I asked you whether**

25 **specifically your area of expertise was**

Page 37

1 CAMPOS

2 **limited to accounting, and I believe you**

3 **answered that it was not, that you also**

4 **consider yourself an expert in business, as**

5 **well; is that correct?**

6 **A. Yes.**

7 **Q. Can you tell me what areas of**

8 **business you feel that you believe that you**

9 **are qualified as an expert in?**

10 **A. Well, I think the best way I can**

11 **answer that is depending on the specific**

12 **circumstance as it arises, I can determine**

13 **that, okay.**

14 **When I first left Ernst I worked**

15 **for four, five year period as a chief**

16 **financial officer of American Stock Exchange**

17 **Company and had my accounting practice at the**

18 **time, so I was involved in the business**

19 **world, and while I was with Ernst & Ernst in**

20 **the business world, so I got to know and get**

21 **involved in things that I'm, you know,**

22 **familiar with and, I would say, in certain**

23 **areas would be an expert in, but I would want**

24 **to see the facts and circumstances behind**

25 **each one before I say that I'm able to opine**

10 (Pages 34 to 37)

<p style="text-align: right;">Page 38</p> <p>1 CAMPOS</p> <p>2 on something, okay. I won't do that in the</p> <p>3 broad sense, okay.</p> <p>4 <b>Q. Understood. So by your previous</b></p> <p>5 <b>answer you didn't mean to say that you</b></p> <p>6 <b>consider yourself an expert in the business</b></p> <p>7 <b>of any field; is that correct, sir?</b></p> <p>8 A. Of a particular industry you mean?</p> <p>9 <b>Q. Yes.</b></p> <p>10 A. No. Although I have, as I said,</p> <p>11 done a lot of work in many industries and I</p> <p>12 would consider myself an expert in certain</p> <p>13 facets of the industry, okay, of that</p> <p>14 particular industry, okay.</p> <p>15 <b>Q. Okay. Fair enough. You mentioned</b></p> <p>16 <b>just something in your answer that I didn't</b></p> <p>17 <b>get in previous questions, and that is, any</b></p> <p>18 <b>other jobs that you may have had; you</b></p> <p>19 <b>mentioned you were a chief financial officer</b></p> <p>20 <b>for a company, for five years, for a company</b></p> <p>21 <b>after you left Ernst &amp; Ernst, when was that?</b></p> <p>22 A. At the same time I was doing my</p> <p>23 accounting practice. It was in Teaneck,</p> <p>24 New Jersey.</p> <p>25 <b>Q. What was the name of the company?</b></p>	<p style="text-align: right;">Page 40</p> <p>1 CAMPOS</p> <p>2 <b>have not testified to today?</b></p> <p>3 A. No, sir.</p> <p>4 <b>Q. How frequently have you testified</b></p> <p>5 <b>as an expert witness?</b></p> <p>6 A. It varies. I don't recall when the</p> <p>7 last one was, it was a couple months ago.</p> <p>8 More in the past than now, you know, but I</p> <p>9 have scheduled a deposition next week</p> <p>10 sometime -- next month sometime. There may</p> <p>11 be others, it will come up as the cases</p> <p>12 approach trial.</p> <p>13 <b>Q. You've testified more in the past</b></p> <p>14 <b>than now as an expert witness; is that</b></p> <p>15 <b>correct?</b></p> <p>16 A. On a more frequent basis.</p> <p>17 <b>Q. "On a more frequent basis." How</b></p> <p>18 <b>much of your revenue is derived from being</b></p> <p>19 <b>retained as an expert in litigation?</b></p> <p>20 A. It's less than 50 percent. I don't</p> <p>21 know percentage-wise, but it's less than 50</p> <p>22 percent.</p> <p>23 <b>Q. Was it more in the past?</b></p> <p>24 A. No. It wasn't more in the past, it</p> <p>25 was just there were more, more cases you</p>
<p style="text-align: right;">Page 39</p> <p>1 CAMPOS</p> <p>2 A. It was called The Garcia Company,</p> <p>3 G-A-R-C-I-A, Corporation, Sporting Goods</p> <p>4 company that was a distributor and</p> <p>5 manufacturer, fishing tackle, skis, rifles,</p> <p>6 tennis equipment, you name it, okay.</p> <p>7 <b>Q. And you were the chief financial</b></p> <p>8 <b>officer of that company from 1969 to 1947; is</b></p> <p>9 <b>that correct?</b></p> <p>10 A. Not the entire time. I was</p> <p>11 assistant treasurer and then became</p> <p>12 treasurer. I was on the board of directors.</p> <p>13 <b>Q. So you were employed by this</b></p> <p>14 <b>company, the Garcia Corporation, from 1969 to</b></p> <p>15 <b>1974, in the capacities that you just</b></p> <p>16 <b>testified to?</b></p> <p>17 A. 1975, yeah. And when I said</p> <p>18 earlier about "opportunities," I was asked by</p> <p>19 them to join them and help them go public.</p> <p>20 They were an Ernst client, that was one of</p> <p>21 the opportunities that presented itself.</p> <p>22 <b>Q. Okay. Are there any other --</b></p> <p>23 <b>strike that. I asked you questions about</b></p> <p>24 <b>your employment history. Are there any other</b></p> <p>25 <b>jobs that you've had from 1969 on, that you</b></p>	<p style="text-align: right;">Page 41</p> <p>1 CAMPOS</p> <p>2 know.</p> <p>3 <b>Q. Do you typically testify as an</b></p> <p>4 <b>expert for one side, for only one side?</b></p> <p>5 A. No, sir.</p> <p>6 <b>Q. And by that, you understand I'm</b></p> <p>7 <b>talking about plaintiff or defendant?</b></p> <p>8 A. I understand. I do not typically</p> <p>9 testify for either the defendant or the</p> <p>10 plaintiff.</p> <p>11 <b>Q. Or let me rephrase that. In the</b></p> <p>12 <b>context of an insurance claim, which is what</b></p> <p>13 <b>we are talking about here today, do you only</b></p> <p>14 <b>testify for policyholders?</b></p> <p>15 A. No, sir.</p> <p>16 <b>Q. You also testify on behalf of</b></p> <p>17 <b>insurance companies; is that correct?</b></p> <p>18 A. Yes, sir.</p> <p>19 <b>Q. In the context of insurance</b></p> <p>20 <b>litigation; is that correct, sir?</b></p> <p>21 A. That's correct. Just last year,</p> <p>22 testified two or three times in connection</p> <p>23 with first-party property claims, yes,</p> <p>24 resulting from 9/11 and resulting from</p> <p>25 hurricanes.</p>

11 (Pages 38 to 41)



<p style="text-align: right;">Page 42</p> <p>1 CAMPOS</p> <p>2 <b>Q. Do you recall what insurance</b></p> <p>3 <b>companies retained you in the 9/11 and</b></p> <p>4 <b>hurricane claim cases?</b></p> <p>5 A. It was Hartford I believe, okay,</p> <p>6 and Sorema was another one.</p> <p>7 <b>Q. How do you spell that?</b></p> <p>8 A. S-O-R-E-M-A. Hartford on a couple</p> <p>9 occasions.</p> <p>10 <b>Q. For both 9/11 and hurricane claims?</b></p> <p>11 A. Yes. I guess years ago, when I was</p> <p>12 in college my professor told me that don't</p> <p>13 try to remember everything, but just know</p> <p>14 where to go to get the information, so I</p> <p>15 don't try to cram my mind with all these</p> <p>16 facts, but I know where to go to get it, but</p> <p>17 those are the two that that come to mind, but</p> <p>18 there's others, okay.</p> <p>19 <b>Q. That's fair enough. I'm just</b></p> <p>20 <b>asking for your best memory here today.</b></p> <p>21 <b>Have you ever turned down a</b></p> <p>22 <b>proposed engagement, sir?</b></p> <p>23 A. Yes.</p> <p>24 <b>Q. When was the last time you turned</b></p> <p>25 <b>down a proposed engagement?</b></p>	<p style="text-align: right;">Page 44</p> <p>1 CAMPOS</p> <p>2 that I recall, okay, and I get involved in</p> <p>3 both.</p> <p>4 <b>Q. And who was your client in this</b></p> <p>5 <b>case?</b></p> <p>6 A. Mr. Philbrick through Insituform.</p> <p>7 <b>Q. How are you being compensated in</b></p> <p>8 <b>this case?</b></p> <p>9 A. On an hourly basis.</p> <p>10 <b>Q. Is your arrangement in writing?</b></p> <p>11 A. I believe so.</p> <p>12 <b>Q. Do you recall whether it was</b></p> <p>13 <b>reduced to some sort of written engagement,</b></p> <p>14 <b>sir?</b></p> <p>15 A. I said I believe it was.</p> <p>16 <b>Q. Okay. And you are charging an</b></p> <p>17 <b>hourly rate; is that correct, sir?</b></p> <p>18 A. Yes, sir.</p> <p>19 <b>Q. Do you charge a different hourly</b></p> <p>20 <b>rate depending on the kind of work that you</b></p> <p>21 <b>are doing?</b></p> <p>22 A. Either on the kind -- not the kind</p> <p>23 of work, but where a particular client might</p> <p>24 charge slightly different rates, okay.</p> <p>25 <b>Q. Well, what I was driving at before</b></p>
<p style="text-align: right;">Page 43</p> <p>1 CAMPOS</p> <p>2 A. About two weeks ago, I was asked to</p> <p>3 do something by an insurance consultant and I</p> <p>4 didn't want to do it, okay, and I referred it</p> <p>5 to someone else, okay.</p> <p>6 <b>Q. Is the reason why you didn't want</b></p> <p>7 <b>to do it is because you felt you could not</b></p> <p>8 <b>give the opinion that they were seeking in</b></p> <p>9 <b>that case?</b></p> <p>10 A. No, no. It was he was representing</p> <p>11 a policyholder and I didn't want to represent</p> <p>12 the policyholder, okay.</p> <p>13 <b>Q. All right. Understood. The 9/11</b></p> <p>14 <b>claims and hurricane claims that you</b></p> <p>15 <b>testified about involving first-party</b></p> <p>16 <b>property damage, in both categories were you</b></p> <p>17 <b>retained to testify about damages?</b></p> <p>18 A. Yes, principally. Also profits,</p> <p>19 business interruption.</p> <p>20 <b>Q. So in both categories, "both</b></p> <p>21 <b>categories," 9/11 claims and hurricane</b></p> <p>22 <b>claims, they were business interruption</b></p> <p>23 <b>cases; is that correct?</b></p> <p>24 A. Business interruption, but there</p> <p>25 were elements of property damage also now</p>	<p style="text-align: right;">Page 45</p> <p>1 CAMPOS</p> <p>2 <b>is, do you charge a different rate for</b></p> <p>3 <b>testifying versus doing document review?</b></p> <p>4 A. No, sir.</p> <p>5 <b>Q. You charge the same rate for both</b></p> <p>6 <b>activities, sir?</b></p> <p>7 A. My activity, yes.</p> <p>8 <b>Q. What rate are you charging</b></p> <p>9 <b>Insituform in this case?</b></p> <p>10 A. I believe it's 300 an hour.</p> <p>11 <b>Q. Is anybody else from your firm also</b></p> <p>12 <b>involved in this engagement?</b></p> <p>13 A. Yes.</p> <p>14 <b>Q. Who is that?</b></p> <p>15 A. A young woman by the name of</p> <p>16 Meghan, M-E-G-H-A-N, Siri, S-I-R-I, Callen,</p> <p>17 C-A-L-L-E-N, the middle name is her maiden</p> <p>18 name and she was married in the past year,</p> <p>19 so.</p> <p>20 <b>Q. Her last name is, again, I'm sorry?</b></p> <p>21 A. Callen, C-A-L-L-E-N.</p> <p>22 <b>Q. Is she also a CPA?</b></p> <p>23 A. Yes, sir.</p> <p>24 <b>Q. How long has she been with your</b></p> <p>25 <b>firm?</b></p>

12 (Pages 42 to 45)

<p style="text-align: right;">Page 46</p> <p>1 CAMPOS</p> <p>2 A. Ten years, eleven years, something</p> <p>3 like that.</p> <p>4 Q. Is she a partner?</p> <p>5 A. Yes.</p> <p>6 Q. And what rate is she charging</p> <p>7 Insituform for her work?</p> <p>8 A. I do not recall. It's in the \$150,</p> <p>9 \$175 rate.</p> <p>10 Q. Do you charge a different rate for</p> <p>11 testifying at trial than depositions?</p> <p>12 A. No, sir.</p> <p>13 Q. Do you know how much you've charged</p> <p>14 for your fees to date in this case?</p> <p>15 A. No, I do not.</p> <p>16 Q. Do you know what your projected</p> <p>17 fees and work will be in this case going</p> <p>18 forward?</p> <p>19 A. No, no, I do not, okay.</p> <p>20 Q. And are you being paid for your</p> <p>21 testimony here today?</p> <p>22 A. I'm being paid for my time.</p> <p>23 Q. Okay. What are you being paid?</p> <p>24 A. At the hourly rate that I just</p> <p>25 testified to.</p>	<p style="text-align: right;">Page 48</p> <p>1 CAMPOS</p> <p>2 involve insurance?</p> <p>3 A. Oh, yes.</p> <p>4 Q. Approximately how many cases</p> <p>5 involve insurance?</p> <p>6 A. Well, either directly or</p> <p>7 indirectly, the majority of the cases would</p> <p>8 involve insurance.</p> <p>9 Q. And in the last five years, have</p> <p>10 you testified in any cases that involved</p> <p>11 issues similar to the issues in this case?</p> <p>12 A. Well, when I say -- when you say</p> <p>13 "issues in this case," I look at the issues</p> <p>14 I'm involved in as the quantification itself</p> <p>15 and, yes, I have testified as to the</p> <p>16 quantification of what I will call</p> <p>17 "out-of-pocket expenditures."</p> <p>18 Q. Did any of the cases in the last</p> <p>19 five years involve a claim involving pipe</p> <p>20 rehabilitation like this case?</p> <p>21 A. I don't recall any, no. I can't</p> <p>22 recall.</p> <p>23 Q. Did any of the cases that you've</p> <p>24 testified in the last five years involve</p> <p>25 quantification of out-of-pocket expenditures</p>
<p style="text-align: right;">Page 47</p> <p>1 CAMPOS</p> <p>2 Q. Do you have any interest in the</p> <p>3 outcome of this litigation?</p> <p>4 A. No, sir.</p> <p>5 Q. Are you being paid or compensated</p> <p>6 in any other way for your time here today,</p> <p>7 other than what you previously testified to?</p> <p>8 A. Just my time, that's all.</p> <p>9 Q. At \$300 an hour?</p> <p>10 A. Yes, sir.</p> <p>11 Q. Approximately how often have you</p> <p>12 been deposed in the last five years?</p> <p>13 A. Either deposed or testified at</p> <p>14 trial, I'd say maybe 30 times or so, maybe</p> <p>15 more.</p> <p>16 Q. And the 30 times would include both</p> <p>17 deposition testimony and trial testimony,</p> <p>18 sir?</p> <p>19 A. Yes, sir.</p> <p>20 Q. Do you have any understanding today</p> <p>21 of the breakdown between trial testimony and</p> <p>22 deposition testimony in the last five years?</p> <p>23 A. No, I don't. Most of it is</p> <p>24 deposition testimony.</p> <p>25 Q. And of those cases, do any of them</p>	<p style="text-align: right;">Page 49</p> <p>1 CAMPOS</p> <p>2 in a construction claim?</p> <p>3 A. I'm trying to recall, I was</p> <p>4 involved in a construction, in a corporation</p> <p>5 that was in a construction business, trying</p> <p>6 to recall whether it was out-of-pocket costs</p> <p>7 or not, I don't recall. I have one case</p> <p>8 that's pending, the one that I told you about</p> <p>9 that was a malpractice case, that one of the</p> <p>10 qualifications they were seeking was someone</p> <p>11 who had construction experience, and I met</p> <p>12 that qualification and I was engaged by three</p> <p>13 defendants in that case.</p> <p>14 Q. You said the malpractice case, is</p> <p>15 that the architectural malpractice case you</p> <p>16 testified to previously?</p> <p>17 A. Yeah, the case is just starting,</p> <p>18 okay.</p> <p>19 Q. Do you remember the name of it?</p> <p>20 A. Well, the plaintiff is</p> <p>21 David Anthony Construction Company, okay,</p> <p>22 it's venued in New Jersey.</p> <p>23 Q. New Jersey Superior Court?</p> <p>24 A. As I said, the case is started, I</p> <p>25 assume it's the Superior Court.</p>

13 (Pages 46 to 49)



<p style="text-align: right;">Page 50</p> <p>1 CAMPOS</p> <p>2 <b>Q. And you've been recently engaged in</b></p> <p>3 <b>testify in this case?</b></p> <p>4 A. Yes.</p> <p>5 <b>Q. And in part you were engaged, you</b></p> <p>6 <b>believe, because of your construction</b></p> <p>7 <b>industry experience?</b></p> <p>8 A. It was definitely a condition. The</p> <p>9 one attorney who recommended me asked me</p> <p>10 questions, and I gave him -- I sent him a</p> <p>11 letter, I believe, telling him my experience,</p> <p>12 starting back in the Army audit Agency days,</p> <p>13 and other construction cases that I've worked</p> <p>14 on over the years.</p> <p>15 <b>Q. Have you produced a report in that</b></p> <p>16 <b>case yet, sir?</b></p> <p>17 A. No. It hasn't even started yet.</p> <p>18 <b>Q. So I assume you haven't testified</b></p> <p>19 <b>in that case yet?</b></p> <p>20 A. Oh, no.</p> <p>21 <b>Q. Of the 30 some-odd cases that</b></p> <p>22 <b>you've testified in, in the last five years,</b></p> <p>23 <b>what percentage of those cases did you</b></p> <p>24 <b>testify on behalf of an insurance company?</b></p> <p>25 A. I don't really quantify my cases</p>	<p style="text-align: right;">Page 52</p> <p>1 CAMPOS</p> <p>2 A. My records in my office, yeah.</p> <p>3 <b>Q. And relatively speaking, you may</b></p> <p>4 <b>not know the answers, but has she put in more</b></p> <p>5 <b>time into this matter than you or less time?</b></p> <p>6 A. She would most likely more time</p> <p>7 than me.</p> <p>8 MR. DESCHENES: Let's mark this</p> <p>9 next.</p> <p>10 (Campos Exhibit 2, document, marked</p> <p>11 for identification, as of this date.)</p> <p>12 <b>Q. Mr. Campos, could I direct your</b></p> <p>13 <b>attention to what has been marked as Campos</b></p> <p>14 <b>Exhibit 2, and just ask you to take a moment</b></p> <p>15 <b>to review that document, and I'll ask you</b></p> <p>16 <b>some questions, sir.</b></p> <p>17 A. Yes, sir.</p> <p>18 <b>Q. Do you recognize that document?</b></p> <p>19 A. Yes, I do.</p> <p>20 <b>Q. What is it?</b></p> <p>21 A. It's the cases in which I've</p> <p>22 testified at trial or been deposed in the</p> <p>23 last four years.</p> <p>24 <b>Q. Was this list accurate and complete</b></p> <p>25 <b>at the time it was created?</b></p>
<p style="text-align: right;">Page 51</p> <p>1 CAMPOS</p> <p>2 that way, but I would estimate that it would</p> <p>3 be somewhere between 30 and 50 percent, okay.</p> <p>4 <b>Q. The same question, what percentage</b></p> <p>5 <b>of cases in the last five years have you</b></p> <p>6 <b>testified on behalf of policyholders in an</b></p> <p>7 <b>insurance claim or litigation?</b></p> <p>8 A. I would say maybe 15, 20 percent.</p> <p>9 <b>Q. You mentioned your partner</b></p> <p>10 <b>Ms. Callen was involved in this particular</b></p> <p>11 <b>case; is that correct?</b></p> <p>12 A. Yes, sir.</p> <p>13 <b>Q. Can you tell me what her role has</b></p> <p>14 <b>been in this particular case?</b></p> <p>15 A. She assisted me in all aspects of</p> <p>16 the case and worked under my direct</p> <p>17 supervision.</p> <p>18 <b>Q. Does she also testify from time to</b></p> <p>19 <b>time as an expert witness in cases?</b></p> <p>20 A. On a few instances, yes.</p> <p>21 <b>Q. Do you know how many hours she's</b></p> <p>22 <b>put into this engagement?</b></p> <p>23 A. No, sir.</p> <p>24 <b>Q. Is there any way you could</b></p> <p>25 <b>determine that?</b></p>	<p style="text-align: right;">Page 53</p> <p>1 CAMPOS</p> <p>2 A. Yes, sir, to the best of my</p> <p>3 knowledge.</p> <p>4 <b>Q. I believe this list was a part of a</b></p> <p>5 <b>production in May of 2006. Has this been</b></p> <p>6 <b>updated since May of 2006?</b></p> <p>7 A. It should have been, yes. May</p> <p>8 2006?</p> <p>9 <b>Q. Well, that's the date of your</b></p> <p>10 <b>report.</b></p> <p>11 A. Okay. I believe there have been</p> <p>12 depositions since then but, if are not here,</p> <p>13 they should be updated in the office.</p> <p>14 MR. DESCHENES: Okay. Charlie, if</p> <p>15 it's not too much trouble, could I get</p> <p>16 an updated list from Mr. Campos.</p> <p>17 MR. PHILBRICK: Sure.</p> <p>18 MR. DESCHENES: And also, I would</p> <p>19 like to request the agreement that he's</p> <p>20 made in his written engagement with your</p> <p>21 firm.</p> <p>22 MR. PHILBRICK: I will take that</p> <p>23 under advisement. I would assume it's</p> <p>24 already in the production that you have.</p> <p>25 MR. DESCHENES: It's not. I don't</p>

14 (Pages 50 to 53)

<p>Page 54</p> <p>1 CAMPOS</p> <p>2 think it is. I went through his -- we</p> <p>3 don't need to have a prolonged</p> <p>4 discussion on the record, but I didn't</p> <p>5 find it in the documents produced to us.</p> <p>6 A. I said I believe so. If it is,</p> <p>7 I'll get it.</p> <p>8 Q. Sure. That's up to your counsel,</p> <p>9 he's taken it under advisement. I just want</p> <p>10 to make the request on the record.</p> <p>11 Do you have transcripts of your</p> <p>12 testimony in all of these cases that are</p> <p>13 listed here?</p> <p>14 A. I would have or should have with</p> <p>15 respect to the depositions, not necessarily</p> <p>16 with respect to trial testimony.</p> <p>17 Q. Okay. It appears to list about 30</p> <p>18 cases here. Can you tell me what cases</p> <p>19 involve trial testimony?</p> <p>20 A. Well, I believe Weiss versus Ferro,</p> <p>21 PSG versus SKW Real Estate.</p> <p>22 Q. You are just reading from the first</p> <p>23 page, right?</p> <p>24 A. From the caption.</p> <p>25 Q. The caption on the first --</p>	<p>Page 56</p> <p>1 CAMPOS</p> <p>2 case.</p> <p>3 A. Yes.</p> <p>4 Q. And in that case there's an</p> <p>5 insurance company mentioned.</p> <p>6 A. Yes.</p> <p>7 Q. "AIU Insurance Company"?</p> <p>8 A. Yes.</p> <p>9 Q. Did you testify in that case on</p> <p>10 behalf of the insurance company or</p> <p>11 policyholder?</p> <p>12 A. Insurance company.</p> <p>13 Q. And what was the nature of that</p> <p>14 case?</p> <p>15 A. It was a claim for environmental</p> <p>16 cleanup and my role was evaluating the</p> <p>17 damages.</p> <p>18 Q. It was a super fund type case?</p> <p>19 A. In a sense, yes.</p> <p>20 Q. Your role was evaluating the</p> <p>21 remediation cost claim by the policyholder?</p> <p>22 A. Yes, on behalf of AIU. Next page.</p> <p>23 Q. One more question about the AIU</p> <p>24 case. Was part of your role in evaluating</p> <p>25 whether the remediation costs were reasonable</p>
<p>Page 55</p> <p>1 CAMPOS</p> <p>2 A. On the first column.</p> <p>3 Q. We're on the first page though,</p> <p>4 right?</p> <p>5 A. Yes, sir.</p> <p>6 Q. Okay.</p> <p>7 A. Egber versus Egber.</p> <p>8 Q. All three of those cases involve</p> <p>9 trial testimony, sir?</p> <p>10 A. Yes, sir. To the best of my</p> <p>11 recollection, yes. I'm not sure about the</p> <p>12 other two on the first page.</p> <p>13 Q. Okay. Moving on to the second</p> <p>14 page.</p> <p>15 A. Second page, when you get down --</p> <p>16 I'm not sure of the ones preceding the one</p> <p>17 I'm going to testify as to now, RSR</p> <p>18 Corporation versus AIU Insurance was trial</p> <p>19 testimony. Estate of James Bastek was trial</p> <p>20 testimony. Swan International, I think was</p> <p>21 trial.</p> <p>22 Q. Before you go on to the next page,</p> <p>23 sir.</p> <p>24 A. Yes, sir.</p> <p>25 Q. You mentioned the "RSR Corporation"</p>	<p>Page 57</p> <p>1 CAMPOS</p> <p>2 and necessary?</p> <p>3 A. Well, reasonable yes, necessary,</p> <p>4 yes. There's another one of those cases for</p> <p>5 that particular attorney, that's pending</p> <p>6 right now.</p> <p>7 Q. You are talking about another case</p> <p>8 for Robert E. Rider at Jackson and Campbell,</p> <p>9 sir?</p> <p>10 A. Yes, he was representing insurance</p> <p>11 companies and I believe including an AIG</p> <p>12 company, okay.</p> <p>13 Q. Okay.</p> <p>14 A. I don't recall the first two,</p> <p>15 whether I testified at trial or not, but I</p> <p>16 know --</p> <p>17 Q. We're on to the third page, are we</p> <p>18 not, sir?</p> <p>19 A. Third page, where it says "Solution</p> <p>20 F" on top?</p> <p>21 Q. Yes. I just want the record to be</p> <p>22 clear.</p> <p>23 A. Yes. The Liverpool Club Corp.</p> <p>24 Versus Wausau.</p> <p>25 Q. You believe that case involved</p>

15 (Pages 54 to 57)

<p style="text-align: right;">Page 58</p> <p>1 CAMPOS</p> <p>2 trial testimony?</p> <p>3 A. Yes, sir.</p> <p>4 Q. And in that case did you testify on</p> <p>5 behalf of --</p> <p>6 A. Liverpool.</p> <p>7 Q. Let me back up, ask you what was</p> <p>8 the nature of that case, if you recall?</p> <p>9 A. I don't recall the specifics of the</p> <p>10 case, but I did testify on behalf of</p> <p>11 Liverpool Club, okay.</p> <p>12 Q. Against Wausau Insurance Company?</p> <p>13 A. Yes, sir, in a limited role, okay.</p> <p>14 Q. Anything else in terms of trial</p> <p>15 testimony on that page?</p> <p>16 A. I'm trying to recall, sir. I don't</p> <p>17 believe any more trial testimony.</p> <p>18 Q. On page three?</p> <p>19 A. On page three, on the last page,</p> <p>20 the only other trial testimony that I can</p> <p>21 recall being trial testimony was the</p> <p>22 Mount Nittany Inn case, next to the last one.</p> <p>23 Q. What did that case involve?</p> <p>24 A. It involved the Hotel Mount Nittany</p> <p>25 Inn making a claim against, I think it was a</p>	<p style="text-align: right;">Page 60</p> <p>1 CAMPOS</p> <p>2 quantifying the damages in that case?</p> <p>3 MR. PHILBRICK: Object to form.</p> <p>4 The witness may answer if he can.</p> <p>5 A. Looking at, analyzing the damages</p> <p>6 that were claimed to determine if they were</p> <p>7 reasonable.</p> <p>8 Q. Anything else?</p> <p>9 A. Reasonable and necessary.</p> <p>10 Q. Okay.</p> <p>11 A. That's essentially it, okay.</p> <p>12 Q. Did the remaining cases, we've been</p> <p>13 through this entire list, involve your</p> <p>14 deposition testimony only?</p> <p>15 A. To the best of my recollection,</p> <p>16 sir, yes.</p> <p>17 Q. Of these cases listed on Exhibit 2,</p> <p>18 which cases involved insurance coverage</p> <p>19 claims?</p> <p>20 A. Page two, the RSR Corporation case</p> <p>21 was definitely insurance.</p> <p>22 Q. Okay.</p> <p>23 A. Swan International was, I believe,</p> <p>24 a captive insurance company.</p> <p>25 Q. And that's on page two, as well?</p>
<p style="text-align: right;">Page 59</p> <p>1 CAMPOS</p> <p>2 subrogation claim, and I was representing the</p> <p>3 defendant.</p> <p>4 Q. Who was the defendant in that case?</p> <p>5 A. Well, Swartz Fire and Safety and</p> <p>6 possibly Richard Benner, but I definitely</p> <p>7 represented the defendant.</p> <p>8 Q. Do you remember what the case was</p> <p>9 about?</p> <p>10 A. It was a fire that occurred, and</p> <p>11 they were suing to recover the loss of</p> <p>12 profits and some of the out-of-pocket</p> <p>13 expenditures.</p> <p>14 Q. Were they suing a defendant they</p> <p>15 believe that was responsible for causing the</p> <p>16 fire?</p> <p>17 A. That was their claim, yes.</p> <p>18 Q. And your engagement involved</p> <p>19 quantifying the alleged damages in the case?</p> <p>20 A. Yes, sir.</p> <p>21 Q. In that case you were</p> <p>22 representing -- you were retained by</p> <p>23 defendant; is that correct?</p> <p>24 A. Yes, sir.</p> <p>25 Q. And what was your role in</p>	<p style="text-align: right;">Page 61</p> <p>1 CAMPOS</p> <p>2 A. The bottom of page two, yes, sir.</p> <p>3 The Liverpool case on page three, the AJM</p> <p>4 Meat Packing case on page three, the</p> <p>5 Traveler's case on page three, Double O Meat</p> <p>6 Market case on page four, St. Paul case on</p> <p>7 page four, Lava Trading on page four,</p> <p>8 Mount Nittany Inn and the Landec Corporation</p> <p>9 versus Sorema on page four.</p> <p>10 Q. There's Sorema. On page four, at</p> <p>11 the top, you mention the All American</p> <p>12 Insurance Company case?</p> <p>13 A. Yes.</p> <p>14 Q. In that case were you retained by</p> <p>15 the insurance company or the policyholder?</p> <p>16 A. Insurance company.</p> <p>17 Q. And in the Lava Trading case, were</p> <p>18 you retained by the insurance company or the</p> <p>19 policyholder to testify?</p> <p>20 A. The insurance company, by Hartford.</p> <p>21 Q. And in the Landec Corporation</p> <p>22 versus Sorema, you were retained there also</p> <p>23 by Sorema; is that correct?</p> <p>24 A. Yes, sir.</p> <p>25 Q. Did any of the cases listed here</p>

16 (Pages 58 to 61)

Page 62

1 CAMPOS  
 2 involve the valuation of damages for  
 3 construction cost?  
 4 A. Solely construction costs or  
 5 construction company, none that I can recall,  
 6 but there would be in several of these cases,  
 7 there would be property damage, out-of-pocket  
 8 expenditures that would have been incurred,  
 9 that I was involved in quantifying.  
 10 Q. Okay. And by "property damage  
 11 expenditures," are you talking about costs to  
 12 repair property damage, sir?  
 13 A. Repair or replace, yes.  
 14 Q. Did any of the cases listed here  
 15 involve costs related to repair and  
 16 replacement of a pipeliner?  
 17 A. I don't believe so.  
 18 Q. Have you ever testified before in  
 19 any case at any time about the costs related  
 20 to repair and replacement of a pipeliner?  
 21 A. I don't recall, sir.  
 22 Q. Approximately do you know how many  
 23 damages reports you've produced in the last  
 24 five years?  
 25 A. I would estimate in the last five

Page 63

1 CAMPOS  
 2 years over 80, over 100, somewhere in there.  
 3 Q. Okay.  
 4 A. That I was involved in personally,  
 5 okay.  
 6 Q. Understood. When were you first  
 7 contacted about this case?  
 8 A. I believe in either late May or  
 9 early June of 2005.  
 10 Q. Who contacted you?  
 11 A. Mr. Philbrick.  
 12 Q. Do you recall what he said in the  
 13 first conversation with you?  
 14 A. Well, he asked me to -- that he had  
 15 a case that he wondered whether I could  
 16 assist him in, in which his client had  
 17 prepared a claim, and that my job was to  
 18 analyze and review the claim from the point  
 19 of view of an accountant experienced in  
 20 working on behalf of insurance companies, to  
 21 see whether it was reasonable, reasonably  
 22 stated.  
 23 Q. Do you recall what he told you  
 24 about the case at that time, and I'm talking  
 25 about the initial contact?

Page 64

1 CAMPOS  
 2 A. Well, I think he described the  
 3 background of the case and that it would  
 4 involve out-of-pocket costs, you know.  
 5 Q. What did he tell you about the  
 6 factual background of the case?  
 7 A. You know, involving the pipe in  
 8 Massachusetts and so forth, what was set  
 9 forth in the first couple of paragraphs of my  
 10 report.  
 11 Q. Did he explain any of the legal  
 12 issues in the case?  
 13 A. Not that I can recall, no.  
 14 Q. Do you recall whether he said  
 15 anything else to you about the case in your  
 16 initial conversation with him?  
 17 A. I don't recall.  
 18 Q. And what did you say in response in  
 19 terms of being retained in the case?  
 20 A. That I believe I could assist him.  
 21 Q. Did you make any notes of your  
 22 conversation with Mr. Philbrick?  
 23 A. I don't believe I did, no.  
 24 Q. In your practice do you typically  
 25 make notes of telephone conversations, sir?

Page 65

1 CAMPOS  
 2 A. Not normally other than, you know,  
 3 the name of the person who might call and the  
 4 telephone number, not any substantive notes,  
 5 no.  
 6 Q. I take it from your answer, it's  
 7 not your practice to do memos to the file of  
 8 telephone conversations?  
 9 A. No, sir, it's not my practice.  
 10 Q. As a result of this initial  
 11 contact, were you retained as an expert  
 12 witness in this case?  
 13 A. Yes, sir.  
 14 Q. By whom were you retained?  
 15 A. By Insituform, Mr. Philbrick.  
 16 MR. DESCHENES: Let's mark this  
 17 next, Exhibit 3.  
 18 (Campos Exhibit 3, document, marked  
 19 for identification, as of this date.)  
 20 Q. Sir, you've been handed what has  
 21 been marked as Campos Exhibit 3, and I ask  
 22 you to take a moment to review the document  
 23 and then I'll ask you questions.  
 24 A. Yes, sir.  
 25 Q. Do you recognize this document,

17 (Pages 62 to 65)



Page 66

1 CAMPOS  
2 sir?  
3 A. Yes.  
4 Q. What is it?  
5 A. It's a letter from Mr. Philbrick to  
6 me, dated June 7, 2005, thanking me for  
7 returning his call, and confirming that he  
8 has retained me as a consulting expert in  
9 connection with the above captioned lawsuit.  
10 Q. Do you recall receiving this  
11 letter, sir?  
12 A. Yes, sir.  
13 Q. And is this among the documents  
14 from your file produced in this case?  
15 A. It appears as though it is, yes.  
16 Q. And you know that from looking at  
17 the Bate Stamp No. down in the bottom  
18 right-hand corner, sir?  
19 A. Yes, sir.  
20 Q. And this letter is dated June 7,  
21 2005, and Mr. Philbrick says to you, in the  
22 first line, "thank you for returning my call  
23 this morning."  
24 Was this on or about the first  
25 conversation -- strike that.

Page 67

1 CAMPOS  
2 Does this letter memorialize when  
3 you had your first conversation with  
4 Mr. Philbrick?  
5 A. Well, this, I believe this is the  
6 first, but it could have been the second, I  
7 don't know. I believe I opened the file the  
8 next day, okay.  
9 Q. And after being retained as an  
10 expert what, if anything, were you asked to  
11 do?  
12 A. Well, I was provided with  
13 Insituform's claim submission, which were  
14 several three or four binders, maybe only two  
15 binders, something like that, of the claim  
16 submission, voluminous documents, and I was  
17 asked to review them.  
18 Q. Were you asked to review the claim  
19 documents to ensure that the claim costs were  
20 adequately supported by documentation?  
21 A. By documentation and/or reasonable  
22 in the context of an insurance claim and from  
23 the viewpoint of an accountant who normally  
24 represents insurance companies.  
25 Q. Were you asked to determine what

Page 68

1 CAMPOS  
2 costs would be recoverable under the  
3 American Home policy?  
4 A. I don't know specifically whether  
5 the word "recoverable" was part of the  
6 conversation, but by inference, yes.  
7 Q. And you mentioned that you were  
8 provided with Insituform's claim submission  
9 which was two to four binders of documents,  
10 sir?  
11 A. Yes, I believe it was a couple of  
12 binders of documents, yes.  
13 Q. And did you have any understanding  
14 about where those documents came from?  
15 A. I understood they came from  
16 Insituform, that Insituform personnel had  
17 prepared them.  
18 Q. Did you have any understanding that  
19 Insituform had prepared those documents for  
20 submission to another insurance company?  
21 A. To, when you say "another"?  
22 Q. Other than my client, American Home  
23 Assurance Company.  
24 A. I understood that they had prepared  
25 it for submission to both insurance

Page 69

1 CAMPOS  
2 companies, as I understood it.  
3 Q. And I asked you about whether you  
4 were asked to look at whether the costs were  
5 recoverable under the American Home policy,  
6 and you said that those words weren't used,  
7 but by inference that's what you were asked  
8 to do; is that correct, sir?  
9 A. I wasn't sure whether that specific  
10 word was used, but by inference that's what I  
11 was asked to do, yes.  
12 Q. How did you go about determining  
13 whether the costs were recoverable under the  
14 American Home policy?  
15 A. By reviewing the documentation that  
16 was submitted in a manner that I would do if  
17 I were representing a carrier.  
18 Q. Were you asked to look at the  
19 specific policy language, sir?  
20 A. No, I was not asked to look at the  
21 specific policy language, other than the  
22 reference to actual costs that appears in the  
23 policy.  
24 Q. And in what policy does that  
25 language appear, sir?

18 (Pages 66 to 69)

<p style="text-align: right;">Page 70</p> <p>1 <b>CAMPOS</b></p> <p>2 A. I think I looked at the Liberty</p> <p>3 policy but, again, I don't interpret</p> <p>4 policies, you've got to be licensed to do</p> <p>5 that and I'm not licensed to interpret</p> <p>6 policies, but by custom and practice I know</p> <p>7 what's to be included in a claim of this</p> <p>8 sort, okay.</p> <p>9 <b>Q. But you would agree that as part of</b></p> <p>10 <b>your retention here, you were not asked to</b></p> <p>11 <b>look at whether there was coverage under the</b></p> <p>12 <b>policy; is that correct?</b></p> <p>13 A. I was not asked to determine</p> <p>14 whether there was any coverage under the</p> <p>15 policy. If I were asked to do that, I would</p> <p>16 decline to do it because I'm not qualified to</p> <p>17 do that. I'm not licensed to do that.</p> <p>18 <b>Q. Understood. And you testified you</b></p> <p>19 <b>looked at the words "actual cost" in the</b></p> <p>20 <b>Liberty Policy, you remember looking at that;</b></p> <p>21 <b>is that correct, sir?</b></p> <p>22 A. Yes.</p> <p>23 <b>Q. Do you recall focusing in on any</b></p> <p>24 <b>other language in either the Liberty Mutual</b></p> <p>25 <b>policy at issue in this case or the</b></p>	<p style="text-align: right;">Page 72</p> <p>1 <b>CAMPOS</b></p> <p>2 <b>part of your engagement in this case, you</b></p> <p>3 <b>have not focused at all on any of the</b></p> <p>4 <b>language in the American Home policy?</b></p> <p>5 A. No. I looked at the American Home</p> <p>6 policy but, again, I don't interpret the</p> <p>7 policies. My focus is on quantifying and my</p> <p>8 custom and practice, I know what should be</p> <p>9 included in a claim of this sort without</p> <p>10 reference to the specific wording, okay.</p> <p>11 <b>Q. So it's your testimony that based</b></p> <p>12 <b>on your 45 years of experience and your</b></p> <p>13 <b>knowledge of custom and practice, that you</b></p> <p>14 <b>can determine what claim should be</b></p> <p>15 <b>recoverable under a policy without regard to</b></p> <p>16 <b>the policy language?</b></p> <p>17 A. In general the liability policies</p> <p>18 and property policies, once I know the type</p> <p>19 of policy that's involved, I can tell what</p> <p>20 elements of expense are recoverable or not</p> <p>21 recoverable, when you are trying to indemnify</p> <p>22 someone for their out-of-pocket expenditures,</p> <p>23 okay, and that's what I focus in on when I</p> <p>24 look at this particular claim, I focused in</p> <p>25 on that area.</p>
<p style="text-align: right;">Page 71</p> <p>1 <b>CAMPOS</b></p> <p>2 <b>American Home policy involved in this case?</b></p> <p>3 A. Later on my attention was focused</p> <p>4 to the reference to the Liberty policy when I</p> <p>5 read, I believe, one of your memoranda or</p> <p>6 cross motion, or whatever, where you refer to</p> <p>7 policy language, and at that point when I</p> <p>8 read that I referred to the policy.</p> <p>9 <b>Q. Okay. And do you recall</b></p> <p>10 <b>specifically what policy language you were</b></p> <p>11 <b>referred to?</b></p> <p>12 A. It was where the insureds are</p> <p>13 entitled to recover the lesser of two</p> <p>14 specific repairs. I don't know the specific</p> <p>15 language off the top of my head, but it</p> <p>16 referred to the policy with respect to the</p> <p>17 memorandum that you prepared and I was</p> <p>18 focused in, in that instance, to the policy,</p> <p>19 okay.</p> <p>20 <b>Q. You are referring to the Liberty</b></p> <p>21 <b>policy, once again, are you not, sir?</b></p> <p>22 A. Yes, I believe. Yes, I believe</p> <p>23 that was the memoranda that referred to that</p> <p>24 policy, yes.</p> <p>25 <b>Q. Okay. Then is it fair to say as</b></p>	<p style="text-align: right;">Page 73</p> <p>1 <b>CAMPOS</b></p> <p>2 <b>Q. All I'm asking you, sir, though is</b></p> <p>3 <b>that you can do that without regard to the</b></p> <p>4 <b>specific policy language; is that correct?</b></p> <p>5 A. Without the specific policy</p> <p>6 language, as long as, as I testified, I know</p> <p>7 the type of policy that's involved, and</p> <p>8 unless there's some specific wording in the</p> <p>9 policy that negates whatever I've learned in</p> <p>10 the past 45 years, then that's what should be</p> <p>11 recoverable.</p> <p>12 <b>Q. Okay. And I think you mentioned a</b></p> <p>13 <b>couple times in your previous responses that</b></p> <p>14 <b>you were looking at this claim from the</b></p> <p>15 <b>viewpoint of someone who represents insurance</b></p> <p>16 <b>companies; is that correct?</b></p> <p>17 A. Yes.</p> <p>18 <b>Q. And you've also testified about</b></p> <p>19 <b>custom and practice and what's to be included</b></p> <p>20 <b>in a claim and what's not to be included in a</b></p> <p>21 <b>claim; is that correct, sir?</b></p> <p>22 A. Yes, sir.</p> <p>23 <b>Q. And is that in any kind of written</b></p> <p>24 <b>document?</b></p> <p>25 A. No, sir. It's been part of my</p>

19 (Pages 70 to 73)



<p style="text-align: right;">Page 74</p> <p>1 CAMPOS</p> <p>2 practice, I'm asked many times to, at a</p> <p>3 deposition or trial, to interpret the policy,</p> <p>4 I do not interpret the policy, that's left to</p> <p>5 either a licensed adjuster or to an attorney</p> <p>6 who are licensed to interpret the policies.</p> <p>7 But when I, over the years, when</p> <p>8 I've worked with the policies, I know from</p> <p>9 dealing with adjusters and insurance</p> <p>10 companies and attorneys what's to be included</p> <p>11 and not included based on custom and</p> <p>12 practice.</p> <p>13 <b>Q. Okay. Can you tell me based on</b></p> <p>14 <b>your experience of working with adjusters and</b></p> <p>15 <b>attorneys, what is to be included in a claim</b></p> <p>16 <b>such as this in terms of custom and practice</b></p> <p>17 <b>then?</b></p> <p>18 A. The direct out-of-pocket</p> <p>19 expenditures, to properly indemnify the</p> <p>20 claimant and to exclude any overhead factors</p> <p>21 that include fixed expenditures and, in</p> <p>22 essence, recovering the actual costs</p> <p>23 incurred. And when I said that I was hired</p> <p>24 to look at it from the point of view of an</p> <p>25 accountant that's worked on behalf of</p>	<p style="text-align: right;">Page 76</p> <p>1 CAMPOS</p> <p>2 <b>recovering the actual costs incurred, do you</b></p> <p>3 <b>typically look at whether those costs are</b></p> <p>4 <b>reasonable and necessary?</b></p> <p>5 A. I look at them, I look at the</p> <p>6 documentation. I don't determine and can't</p> <p>7 determine whether they are, let's say,</p> <p>8 whether somebody could have saved \$.10 by</p> <p>9 going someplace else, that's not the focus of</p> <p>10 my attention, whether I'm representing an</p> <p>11 insurance company or, in this particular</p> <p>12 case, critiquing a claim prepared by a</p> <p>13 policyholder. That's not part of my</p> <p>14 assignment, okay.</p> <p>15 <b>Q. So it is not part -- strike that.</b></p> <p>16 <b>We're just talking generally, not</b></p> <p>17 <b>about the specific facts of this case.</b></p> <p>18 A. I understand.</p> <p>19 <b>Q. In an engagement it is not part of</b></p> <p>20 <b>your assignment to determine whether costs</b></p> <p>21 <b>could have been saved by using a cheaper</b></p> <p>22 <b>alternative method; is that correct, sir?</b></p> <p>23 A. That's correct, or whether as you</p> <p>24 asked the question earlier, whether they are</p> <p>25 necessary, that is usually not something that</p>
<p style="text-align: right;">Page 75</p> <p>1 CAMPOS</p> <p>2 insurance companies, I did not put the claim</p> <p>3 together, the claim was put together and I</p> <p>4 was analyzing the claim that had already been</p> <p>5 compiled.</p> <p>6 <b>Q. Thank you for the clarification.</b></p> <p>7 <b>The four things that you just mentioned, the</b></p> <p>8 <b>elements being "direct out-of-pocket</b></p> <p>9 <b>expenses," I think you also testified to</b></p> <p>10 <b>"properly indemnify the claimant," "exclude</b></p> <p>11 <b>any overhead factors that include fixed</b></p> <p>12 <b>expenditures," and then the fourth thing you</b></p> <p>13 <b>testified to was "recovering the actual costs</b></p> <p>14 <b>incurred."</b></p> <p>15 <b>Can you think of anything else that</b></p> <p>16 <b>should be included in a claim like this, or</b></p> <p>17 <b>excluded, based on custom and practice in the</b></p> <p>18 <b>industry as you understand it?</b></p> <p>19 A. Not off the top of my head as I sit</p> <p>20 here today. That's essentially it. That's</p> <p>21 the majority of the elements that should be</p> <p>22 included.</p> <p>23 <b>Q. Just talking generally now, not</b></p> <p>24 <b>about the specific facts of this case, when</b></p> <p>25 <b>you are talking about, you testified about</b></p>	<p style="text-align: right;">Page 77</p> <p>1 CAMPOS</p> <p>2 I get involved in as to whether they are</p> <p>3 necessary or not necessary. That's not part</p> <p>4 of my assignment.</p> <p>5 <b>Q. Okay. Is it fair to say, sir, that</b></p> <p>6 <b>it's not part of your assignment to look at</b></p> <p>7 <b>whether the costs are reasonable or not?</b></p> <p>8 A. It is -- no. Part of my assignment</p> <p>9 is to determine whether they were reasonable</p> <p>10 vis-a-vis indemnifying a person for their</p> <p>11 out-of-pocket expenditures, that part of it</p> <p>12 is part of my assignment.</p> <p>13 And the reasonableness is what I</p> <p>14 testified earlier, the things that you just</p> <p>15 mentioned, make sure it doesn't include items</p> <p>16 that are not part of the actual expenditures.</p> <p>17 <b>Q. But as part of your assignment, you</b></p> <p>18 <b>already testified that you don't look at</b></p> <p>19 <b>whether something could be done in a less</b></p> <p>20 <b>expensive way; is that correct, sir?</b></p> <p>21 A. Whether or not they could save</p> <p>22 \$.10 by going someplace else, yes.</p> <p>23 <b>Q. Or \$.50?</b></p> <p>24 A. Yes.</p> <p>25 <b>Q. On the dollar; is that correct,</b></p>

20 (Pages 74 to 77)

<p style="text-align: right;">Page 78</p> <p>1 CAMPOS</p> <p>2 sir?</p> <p>3 A. Well, your presumption is that</p> <p>4 someone could save \$0.50 on a dollar. No,</p> <p>5 I'm saying that's not part of my assignment,</p> <p>6 but what I did say was, in answer to the</p> <p>7 question of reasonableness, as to whether the</p> <p>8 claim is reasonable, I look at it from the</p> <p>9 point of whether it's reasonable or not, in</p> <p>10 connection with determining whether or not</p> <p>11 the claimed items represent actual costs</p> <p>12 incurred, not whether they could save some</p> <p>13 money by going someplace else.</p> <p>14 Q. So is it fair to say that you</p> <p>15 simply take those numbers that are given to</p> <p>16 you by the insured and look at those numbers,</p> <p>17 but you do not ask whether those numbers</p> <p>18 could have been lower or higher, sir?</p> <p>19 A. By using some other vendor, no.</p> <p>20 Q. Correct.</p> <p>21 A. That's not part of my assignment no</p> <p>22 matter who I'm representing, insurance</p> <p>23 company or in this particular case.</p> <p>24 Q. Once again, talking generally, not</p> <p>25 specifically about the facts of this case, is</p>	<p style="text-align: right;">Page 80</p> <p>1 CAMPOS</p> <p>2 A. That's correct.</p> <p>3 Q. Is that something you were capable</p> <p>4 of doing in this case?</p> <p>5 A. I don't -- I'd have to understand</p> <p>6 the facts and circumstances before I could</p> <p>7 answer that question, I don't know.</p> <p>8 Q. The facts and circumstances</p> <p>9 surrounding the claim, sir?</p> <p>10 A. Surrounding any potential</p> <p>11 mitigation efforts, okay.</p> <p>12 Q. Okay.</p> <p>13 A. I'd have to understand the facts</p> <p>14 and circumstances relative to what the</p> <p>15 potential mitigation is to determine whether</p> <p>16 I would be capable of doing that, okay.</p> <p>17 Q. But just to be clear, you were not</p> <p>18 asked to look at any areas in which</p> <p>19 Insituform could have mitigated its damages</p> <p>20 in this case; is that correct, sir?</p> <p>21 A. That's what I testified to,</p> <p>22 correct.</p> <p>23 (Campos Exhibit 4, document, marked</p> <p>24 for identification, as of this date.)</p> <p>25 Q. I've handed to you what's been</p>
<p style="text-align: right;">Page 79</p> <p>1 CAMPOS</p> <p>2 it part of your assignment to look at whether</p> <p>3 a party could have mitigated its costs in any</p> <p>4 particular way?</p> <p>5 A. Part of my assignment in general</p> <p>6 covers mitigation depending on the facts and</p> <p>7 circumstances in the case, yes.</p> <p>8 Q. So you do look at whether a party</p> <p>9 has made efforts to mitigate its loss; is</p> <p>10 that correct, sir?</p> <p>11 A. In certain instances that's part of</p> <p>12 my assignment and/or measuring the mitigation</p> <p>13 dollars.</p> <p>14 Q. Did you do that with respect to</p> <p>15 this particular claim?</p> <p>16 A. No, sir. That wasn't part of my</p> <p>17 assignment.</p> <p>18 Q. You were not asked to look at</p> <p>19 whether Insituform had mitigated its loss in</p> <p>20 this particular case; is that correct?</p> <p>21 A. That's correct, or whether it could</p> <p>22 have.</p> <p>23 Q. That was not part of your</p> <p>24 assignment in this particular case; is that</p> <p>25 correct, sir?</p>	<p style="text-align: right;">Page 81</p> <p>1 CAMPOS</p> <p>2 marked as Campos Exhibit No. 4.</p> <p>3 Do you recognize this document?</p> <p>4 A. I recognize the document as being a</p> <p>5 letter that was apparently sent to me on</p> <p>6 June 16, 2005, that was part of my file, from</p> <p>7 Mr. Kelley of Insituform.</p> <p>8 Q. Do you recall receiving this</p> <p>9 letter?</p> <p>10 A. Specifically no.</p> <p>11 Q. And is this letter among the</p> <p>12 documents from your file that have been</p> <p>13 produced in this case?</p> <p>14 A. Yes.</p> <p>15 Q. Who is Mr. Kelley?</p> <p>16 A. He was general counsel of</p> <p>17 Insituform.</p> <p>18 Q. Did you have any conversations with</p> <p>19 Mr. Kelley prior to your receipt of this</p> <p>20 letter?</p> <p>21 A. I don't recall, sir.</p> <p>22 Q. And at the last sentence of the</p> <p>23 third paragraph, do you see where it says "as</p> <p>24 we will be asking you to detail your findings</p> <p>25 for Monday this week to assist in documenting</p>

21 (Pages 78 to 81)

<p style="text-align: right;">Page 82</p> <p>1 CAMPOS</p> <p>2 the recoverable, but not yet adequately</p> <p>3 documented costs. I" -- it says -- "I though</p> <p>4 this package would be useful."</p> <p>5 I think he meant "I thought," but</p> <p>6 it says "I though."</p> <p>7 Do you see that sentence sir?</p> <p>8 A. Yes.</p> <p>9 Q. Did I read it correctly?</p> <p>10 A. Yes, you did read it as "though."</p> <p>11 Q. As of June 16, 2005, which is the</p> <p>12 date of this letter, were some costs not</p> <p>13 adequately documented?</p> <p>14 A. Yes.</p> <p>15 Q. Do you recall generally what those</p> <p>16 costs were?</p> <p>17 A. Well, when I first received the</p> <p>18 claim, and the June 16th date may be before</p> <p>19 or after, but I do recall the claim being as</p> <p>20 high as \$9 million, and it may not have been</p> <p>21 the one that I got in June of '05, but</p> <p>22 included in those costs were some corporate</p> <p>23 overhead and some other factors that I</p> <p>24 indicated would not be recoverable, and to</p> <p>25 the extent that I wanted further</p>	<p style="text-align: right;">Page 84</p> <p>1 CAMPOS</p> <p>2 Q. Do you recall approximately how</p> <p>3 much of those costs that, in your view, at</p> <p>4 this time were not adequately documented?</p> <p>5 A. No, sir.</p> <p>6 Q. And focusing, again, on the last</p> <p>7 sentence of the third paragraph, do you know</p> <p>8 what Mr. Kelley means by "recoverable"?</p> <p>9 A. Well, what I thought he meant was</p> <p>10 not recoverable under the terms of the policy</p> <p>11 or under normal circumstances in the</p> <p>12 insurance world, okay.</p> <p>13 Q. And by "policy," do you mean the</p> <p>14 American Home policy?</p> <p>15 A. Yes, sir.</p> <p>16 Q. Did you play any role in</p> <p>17 determining what costs were recoverable under</p> <p>18 the American Home policy?</p> <p>19 A. That was the purpose of my review,</p> <p>20 my critique was to determine what would be</p> <p>21 recoverable, yes.</p> <p>22 Q. But you don't recall looking at any</p> <p>23 specific policy language in the American Home</p> <p>24 policy; isn't that correct?</p> <p>25 A. I do recall looking at the policy,</p>
<p style="text-align: right;">Page 83</p> <p>1 CAMPOS</p> <p>2 documentation on certain things, I requested</p> <p>3 it at that point.</p> <p>4 Q. Is your memory that at that time,</p> <p>5 June 2005, the claim may have been as high as</p> <p>6 \$9 million; is that correct, sir?</p> <p>7 A. No, that's not what my testimony</p> <p>8 was. It was at some point in time it was as</p> <p>9 high as 9 million. It may not have been in</p> <p>10 June of '05 because it wouldn't have maybe</p> <p>11 all of Phase II included at that point, but</p> <p>12 what was submitted to Liberty did have, or</p> <p>13 what I saw included corporate overhead of</p> <p>14 over a million dollars.</p> <p>15 That was one of the factors that I</p> <p>16 indicated would not be recoverable under this</p> <p>17 type of policy in my experience.</p> <p>18 Q. Do you recall what other costs were</p> <p>19 not adequately documented at that time.</p> <p>20 A. Not off the top of my head, but</p> <p>21 most of it was overhead or corporate overhead</p> <p>22 of some type, and there were other</p> <p>23 expenditures that, and I don't recall which</p> <p>24 they were, that I wanted to see documentation</p> <p>25 on rather than just the claim amount, okay.</p>	<p style="text-align: right;">Page 85</p> <p>1 CAMPOS</p> <p>2 I don't recall the specifics, what page or</p> <p>3 paragraph, but I do recall looking at the</p> <p>4 policy, yes.</p> <p>5 Q. Do you recall anything about the</p> <p>6 language of the policy at this time?</p> <p>7 A. It was a typical insurance</p> <p>8 liability policy that I'm accustomed to</p> <p>9 seeing in my practice.</p> <p>10 Q. What were the sources of</p> <p>11 information you considered regarding this</p> <p>12 case, sir?</p> <p>13 A. Well, the foundation to it was the</p> <p>14 claim that was prepared by Insituform, and</p> <p>15 based on the specific elements of the claim</p> <p>16 there was underlying documentation that was</p> <p>17 included in the binders that supported that,</p> <p>18 the amounts that appeared in the summary, and</p> <p>19 beyond that, to the extent that there wasn't</p> <p>20 or to the extent that I had a question about</p> <p>21 the recoverability of an item, I raised the</p> <p>22 question to the personnel at Insituform.</p> <p>23 Q. Were you provided these documents</p> <p>24 by Insituform?</p> <p>25 A. I believe they came directly from</p>

22 (Pages 82 to 85)

<p style="text-align: right;">Page 86</p> <p>1 CAMPOS</p> <p>2 Insituform, yes.</p> <p>3 <b>Q. Okay. And it's your testimony that</b></p> <p>4 <b>you received at or around the time of your</b></p> <p>5 <b>engagement two to four binders of material,</b></p> <p>6 <b>sir?</b></p> <p>7 A. I received several. I received two</p> <p>8 to four on a couple of occasions. I believe</p> <p>9 the first one I received only included</p> <p>10 Phase I, then later on it included Phase I</p> <p>11 and Phase II, but it included some things</p> <p>12 that I felt were not recoverable and changes</p> <p>13 were made to the claim from the 9 million</p> <p>14 down to the 7 million that's part of, that's</p> <p>15 referred to in my report.</p> <p>16 And most of that reduction was due</p> <p>17 to the comments that I made with respect to</p> <p>18 recoverability of elements of the claim.</p> <p>19 <b>Q. Do you know whether the material</b></p> <p>20 <b>that was provided to you was identical to the</b></p> <p>21 <b>material that was provided to Liberty Mutual?</b></p> <p>22 A. I do not know whether it was</p> <p>23 identical. It was represented to me that it</p> <p>24 was, at the early stages, what was provided</p> <p>25 to Liberty Mutual, and I believe that the</p>	<p style="text-align: right;">Page 88</p> <p>1 CAMPOS</p> <p>2 A. Yes. But since you inserted that,</p> <p>3 I thought maybe you had some other -- I</p> <p>4 wanted to make sure I got the record</p> <p>5 straight.</p> <p>6 <b>Q. Right. And I may use that term</b></p> <p>7 <b>"MWRA claim" throughout this deposition, I</b></p> <p>8 <b>just want to make sure we understand we're</b></p> <p>9 <b>talking about the same thing?</b></p> <p>10 A. Agreed.</p> <p>11 <b>Q. Okay. Did you understand that</b></p> <p>12 <b>Liberty Mutual provided the primary coverage</b></p> <p>13 <b>in this case?</b></p> <p>14 A. The underlying coverage, yes.</p> <p>15 <b>Q. And do you understand that</b></p> <p>16 <b>American Home provided excess coverage?</b></p> <p>17 A. Yes, sir.</p> <p>18 <b>Q. Did you have any personal</b></p> <p>19 <b>involvement in submitting the claim to</b></p> <p>20 <b>Liberty Mutual?</b></p> <p>21 A. No, sir.</p> <p>22 <b>Q. Were you provided with a summary of</b></p> <p>23 <b>the costs submitted to Liberty Mutual?</b></p> <p>24 A. I was given binders and I was told</p> <p>25 it represented what was provided to</p>
<p style="text-align: right;">Page 87</p> <p>1 CAMPOS</p> <p>2 dollars that I saw, the total dollars matched</p> <p>3 the total dollars referred to in some Liberty</p> <p>4 communications.</p> <p>5 <b>Q. Do you understand that Insituform</b></p> <p>6 <b>has also submitted an insurance claim to</b></p> <p>7 <b>Liberty Mutual with regard to this claim?</b></p> <p>8 A. I'm sorry, I didn't hear the</p> <p>9 question.</p> <p>10 <b>Q. Let me repeat it. Do you</b></p> <p>11 <b>understand that Insituform has also submitted</b></p> <p>12 <b>an insurance claim to Liberty Mutual</b></p> <p>13 <b>concerning the MWRA claim?</b></p> <p>14 A. I thought that's what -- I'm</p> <p>15 confused, I thought that's what we were</p> <p>16 talking about.</p> <p>17 <b>Q. We are.</b></p> <p>18 A. They submitted the claim to</p> <p>19 Liberty Mutual in an amount, I don't recall,</p> <p>20 but it's in my work, in my file, about</p> <p>21 \$6 million or something like that, but I</p> <p>22 think it only included Phase I.</p> <p>23 <b>Q. And you understand when I say the</b></p> <p>24 <b>"MWRA claim," we're talking about the</b></p> <p>25 <b>Massachusetts Water Resources Authority?</b></p>	<p style="text-align: right;">Page 89</p> <p>1 CAMPOS</p> <p>2 Liberty Mutual, and the total tied in to what</p> <p>3 Liberty Mutual referred to.</p> <p>4 <b>Q. Did you have any issues or concerns</b></p> <p>5 <b>with the costs that were submitted to</b></p> <p>6 <b>Liberty Mutual?</b></p> <p>7 MR. PHILBRICK: Objection, asked</p> <p>8 and answered. The witness may answer</p> <p>9 again.</p> <p>10 A. I did, yes.</p> <p>11 <b>Q. Can you tell me what your issues</b></p> <p>12 <b>and concerns were?</b></p> <p>13 A. There was corporate overhead</p> <p>14 included in there that, I commented on, would</p> <p>15 not be recoverable.</p> <p>16 <b>Q. Can you think of any other issues</b></p> <p>17 <b>or concerns that you had with the costs that</b></p> <p>18 <b>were submitted to Liberty Mutual?</b></p> <p>19 A. Well, there were some fixed</p> <p>20 expenses that were included in certain</p> <p>21 categories of the claim that I felt would not</p> <p>22 be recoverable. Essentially it would be the</p> <p>23 same comments I have in my report and as they</p> <p>24 apply to the Liberty Mutual claim, they would</p> <p>25 be the same.</p>



<p style="text-align: right;">Page 90</p> <p>1 CAMPOS</p> <p>2 <b>Q. You mentioned the same comments</b></p> <p>3 <b>that you made in your report, are you</b></p> <p>4 <b>referring to the report that you prepared in</b></p> <p>5 <b>this case with regard to the claim against</b></p> <p>6 <b>American Home?</b></p> <p>7 A. Yes, sir.</p> <p>8 <b>Q. Can you tell me what documents you</b></p> <p>9 <b>considered in this case in formulating your</b></p> <p>10 <b>opinions?</b></p> <p>11 MR. PHILBRICK: Objection, asked</p> <p>12 and answered. The witness may answer</p> <p>13 again.</p> <p>14 A. I reviewed ultimately the four</p> <p>15 large binders that had the claim and</p> <p>16 supporting documentation to it that I</p> <p>17 reviewed, along with the two policies. I</p> <p>18 looked at, I believe, an affidavit from</p> <p>19 Mr. Kelley relative to the Liberty Mutual</p> <p>20 policy or settlement.</p> <p>21 I looked at a motion that was</p> <p>22 prepared by yourself, I think, or your firm</p> <p>23 relative to the issues in this case. I</p> <p>24 requested certain information from</p> <p>25 Insituform, and obtained it.</p>	<p style="text-align: right;">Page 92</p> <p>1 CAMPOS</p> <p>2 <b>formulating your opinion in this case. Can</b></p> <p>3 <b>you think of any other documents or materials</b></p> <p>4 <b>that you considered in formulating your</b></p> <p>5 <b>opinions in this case?</b></p> <p>6 A. Deposition transcripts of</p> <p>7 Mr. Mangels and Mr. Porzio and related</p> <p>8 exhibits. I can't recall anything else off</p> <p>9 the top of my head as I sit here today.</p> <p>10 <b>Q. Did you review the deposition</b></p> <p>11 <b>transcripts of Mr. Mangels and Mr. Porzio?</b></p> <p>12 A. Yes, sir.</p> <p>13 <b>Q. As well as the related exhibits?</b></p> <p>14 A. Yes.</p> <p>15 <b>Q. Did Insituform ever fail to provide</b></p> <p>16 <b>you with any documents or information that</b></p> <p>17 <b>you requested?</b></p> <p>18 A. I wouldn't say they "failed to</p> <p>19 provide me." What happened was, I guess I</p> <p>20 was dealing with Mr. Campanile who left the</p> <p>21 firm, left Insituform, and he was the person</p> <p>22 who was my contact to get information,</p> <p>23 there's only one area that, very minor area</p> <p>24 of where there may be some fixed expense</p> <p>25 included in the claim that I didn't get</p>
<p style="text-align: right;">Page 91</p> <p>1 CAMPOS</p> <p>2 <b>Q. What kind of information did you</b></p> <p>3 <b>request from Insituform?</b></p> <p>4 A. Information with respect to</p> <p>5 attempting to analyze the elements of the</p> <p>6 burden or overhead to determine fixed versus</p> <p>7 variable. There was an ongoing process.</p> <p>8 As I said, I looked at a couple of</p> <p>9 other binders before and my critique was</p> <p>10 ongoing, and as I was critiquing Insituform</p> <p>11 was making changes, majority of them</p> <p>12 downward, in arriving at the four ultimate</p> <p>13 binders that were produced in this case.</p> <p>14 <b>Q. Okay. Do you have copies in your</b></p> <p>15 <b>office of the binders that were originally</b></p> <p>16 <b>given to you in this case?</b></p> <p>17 A. I may have, yeah.</p> <p>18 <b>Q. Do those binders include costs as</b></p> <p>19 <b>you've testified to that were excluded from</b></p> <p>20 <b>the claim that was ultimately presented in</b></p> <p>21 <b>this case?</b></p> <p>22 A. Claim costs, yeah.</p> <p>23 <b>Q. Okay. You've testified about a</b></p> <p>24 <b>bunch of different categories of materials</b></p> <p>25 <b>and documents that you considered in</b></p>	<p style="text-align: right;">Page 93</p> <p>1 CAMPOS</p> <p>2 information on, that sort of fell through the</p> <p>3 cracks, but not that it was a refusal to give</p> <p>4 me the information, okay, as time passed it</p> <p>5 just didn't happen, okay.</p> <p>6 <b>Q. Okay. Is your investigation now</b></p> <p>7 <b>complete?</b></p> <p>8 A. No, it's still ongoing. There's</p> <p>9 still some areas that we're working on right</p> <p>10 now.</p> <p>11 <b>Q. If it's not complete, what else do</b></p> <p>12 <b>you plan to do?</b></p> <p>13 A. Well, with respect to the closeout</p> <p>14 costs, for example, I'm expecting Mr. Mangels</p> <p>15 to provide me with underlying documentation</p> <p>16 for the estimates that are included in the</p> <p>17 claim, and I expect I might have that within</p> <p>18 a week, and preliminary indications are that</p> <p>19 the estimated claim closeout costs of, I</p> <p>20 believe, were 240,000, might come down to</p> <p>21 slightly over 200,000.</p> <p>22 Another area we're working on is</p> <p>23 trying to determine the costs before</p> <p>24 December 31st and after December 31st, and do</p> <p>25 a quantitative analysis and then do a</p>

24 (Pages 90 to 93)

<p style="text-align: right;">Page 94</p> <p>1 CAMPOS</p> <p>2 qualitative analysis, from an operational</p> <p>3 point of view, to determine what costs were</p> <p>4 incurred prior to this date and after this</p> <p>5 date for Phase I.</p> <p>6 <b>Q. Are you talking about December 31st</b></p> <p>7 <b>of 2003, sir?</b></p> <p>8 A. Yes, sir. Sorry.</p> <p>9 <b>Q. So you are trying to go back and</b></p> <p>10 <b>look at what costs were incurred prior to</b></p> <p>11 <b>December 31st, 2003 and what costs were</b></p> <p>12 <b>incurred after that date with respect to</b></p> <p>13 <b>Phase I repairs; is that correct, sir?</b></p> <p>14 A. Yes.</p> <p>15 <b>Q. Why are you doing that?</b></p> <p>16 A. At the request of counsel, based on</p> <p>17 some of the written documentation that I've</p> <p>18 seen in this case, okay. We're in the</p> <p>19 process of doing that quantitatively and then</p> <p>20 from a qualitative point of view, operational</p> <p>21 point of view to determine, to answer</p> <p>22 counsel's question, okay.</p> <p>23 <b>Q. Sure. Sir, did you request to do</b></p> <p>24 <b>that analysis of looking at the costs prior</b></p> <p>25 <b>to and after December 31, 2005?</b></p>	<p style="text-align: right;">Page 96</p> <p>1 CAMPOS</p> <p>2 becomes the qualitative analysis, and those</p> <p>3 are just terms that I thought of as I sit</p> <p>4 here today.</p> <p>5 <b>Q. Okay. Well, you anticipated my</b></p> <p>6 <b>next question which is, what is a</b></p> <p>7 <b>"qualitative" analysis?</b></p> <p>8 A. Looking, talking to the operational</p> <p>9 people and getting their opinions as to the</p> <p>10 type of expenditure.</p> <p>11 <b>Q. Getting their opinions about what?</b></p> <p>12 A. The type of expenditure and how it</p> <p>13 fits into the policy terminology, along with</p> <p>14 interpretation from counsel.</p> <p>15 <b>Q. In other words, to examine the type</b></p> <p>16 <b>of expenditure and why it was incurred?</b></p> <p>17 A. I guess --</p> <p>18 <b>Q. Is that a fair statement?</b></p> <p>19 A. From that point of view, yeah.</p> <p>20 <b>Q. Up until this day, has a</b></p> <p>21 <b>qualitative analysis ever been done on this</b></p> <p>22 <b>claim by you?</b></p> <p>23 A. I'm not doing the qualitative</p> <p>24 analysis on this. I'm doing this -- someone</p> <p>25 else -- from an operational point of view of</p>
<p style="text-align: right;">Page 95</p> <p>1 CAMPOS</p> <p>2 A. You mean me as opposed counsel?</p> <p>3 <b>Q. Yes. Did that come from your</b></p> <p>4 <b>initiative or did they ask you to do that?</b></p> <p>5 A. It was a conversation that was</p> <p>6 held, me and counsel, with respect to I think</p> <p>7 it was one of your motions, and reading that,</p> <p>8 what evolved was a joint effort of doing this</p> <p>9 together, okay.</p> <p>10 <b>Q. I see. You mentioned in your</b></p> <p>11 <b>answer in analyzing the costs prior to and</b></p> <p>12 <b>after December 31, 2003, doing both a</b></p> <p>13 <b>quantitative analysis and a qualitative</b></p> <p>14 <b>analysis from an operational point of view;</b></p> <p>15 <b>is that correct, sir?</b></p> <p>16 A. Yes.</p> <p>17 <b>Q. Can you tell me what it means to do</b></p> <p>18 <b>a quantitative analysis?</b></p> <p>19 A. Just adding up the numbers of the</p> <p>20 invoices before and after, looking at the</p> <p>21 invoices themselves, not the date it was</p> <p>22 paid, not the date of the invoice, but the</p> <p>23 date that the service was performed or the</p> <p>24 product was received or whatever, and then</p> <p>25 discuss this with operational personnel</p>	<p style="text-align: right;">Page 97</p> <p>1 CAMPOS</p> <p>2 the company would be doing this, okay. The</p> <p>3 quantitative analysis I've done, and I've</p> <p>4 done a qualitative analysis from the point of</p> <p>5 view that I've determined what's recoverable</p> <p>6 or not recoverable, even though I may capture</p> <p>7 certain amounts, I may qualitatively decide</p> <p>8 that it's not recoverable, and I've critiqued</p> <p>9 that and commented on that in my report.</p> <p>10 <b>Q. Let me just make sure I understand.</b></p> <p>11 <b>Prior to going back and doing this analysis</b></p> <p>12 <b>concerning the December 31, 2003 date, okay,</b></p> <p>13 <b>my question is, when you put together your</b></p> <p>14 <b>report in this case did you personally, not</b></p> <p>15 <b>Insituform, did you personally go and</b></p> <p>16 <b>interview personnel to determine why certain</b></p> <p>17 <b>costs were incurred?</b></p> <p>18 A. Interview which personnel?</p> <p>19 <b>Q. Any personnel at Insituform?</b></p> <p>20 A. Well, I interviewed Insituform</p> <p>21 personnel not to determine why they were</p> <p>22 incurred -- well, it's in a sense why they</p> <p>23 were incurred, but also how they were</p> <p>24 incurred and how they were captured.</p> <p>25 <b>Q. So is the answer to my question</b></p>

25 (Pages 94 to 97)



<p style="text-align: right;">Page 98</p> <p>1 CAMPOS</p> <p>2 "yes," you did perform that analysis --</p> <p>3 A. Yes, yes.</p> <p>4 Q. -- prior to looking at updating the</p> <p>5 damages figure based on the December 31, 2003</p> <p>6 date?</p> <p>7 A. Prior to issuing my report?</p> <p>8 Q. Prior to issuing your report?</p> <p>9 A. Yes, sir. And there's one further</p> <p>10 aspect that one of the comments in my report</p> <p>11 was with respect to some fixed expense that's</p> <p>12 included in there, I've quantified that and</p> <p>13 identified a dollar amount for that.</p> <p>14 Q. And it's your testimony that work</p> <p>15 is completed, sir?</p> <p>16 A. With respect to?</p> <p>17 Q. Fixed costs?</p> <p>18 A. For one element of it, of the</p> <p>19 claim. There's another element of it that</p> <p>20 has not been complete that could include some</p> <p>21 fixed costs, I don't know how much, if any,</p> <p>22 okay.</p> <p>23 Q. And you testified that you've</p> <p>24 quantified that with regard to one of the</p> <p>25 elements --</p>	<p style="text-align: right;">Page 100</p> <p>1 CAMPOS</p> <p>2 Q. What area is that, sir?</p> <p>3 A. Fringe benefits.</p> <p>4 Q. "Fringe benefits"?</p> <p>5 A. Yes.</p> <p>6 Q. And is that a part of the labor</p> <p>7 burden or equipment burden or both?</p> <p>8 A. Payroll burden.</p> <p>9 Q. "Payroll burden."</p> <p>10 A. It is an insignificant part of the</p> <p>11 claim.</p> <p>12 Q. Is that the part that has been</p> <p>13 already quantified by you, the payroll</p> <p>14 burden, fringe benefits?</p> <p>15 A. I've quantified the universe of</p> <p>16 what could be, could include fixed, yes, I've</p> <p>17 quantified that. But what I testified</p> <p>18 earlier that says on a piece of paper, that's</p> <p>19 the fixed burden that I've quantified and</p> <p>20 identified as part of the equipment burden.</p> <p>21 Q. Okay.</p> <p>22 A. And in that instance I'm -- that</p> <p>23 would reduce the claim by a certain dollar</p> <p>24 amount.</p> <p>25 Q. Understood. So just to clarify,</p>
<p style="text-align: right;">Page 99</p> <p>1 CAMPOS</p> <p>2 A. Yes.</p> <p>3 Q. -- is that correct, sir?</p> <p>4 A. Yes.</p> <p>5 Q. Is there in any kind of</p> <p>6 documentation?</p> <p>7 A. Yes.</p> <p>8 Q. What kind?</p> <p>9 A. One piece of paper that I have in</p> <p>10 my bag.</p> <p>11 Q. Okay.</p> <p>12 MR. PHILBRICK: Do you want me to</p> <p>13 get it?</p> <p>14 MR. DESCHENES: Yeah, at a break.</p> <p>15 You don't need to do it now.</p> <p>16 MR. PHILBRICK: Okay.</p> <p>17 Q. Is that the area that you testified</p> <p>18 to previously about fixed costs falling</p> <p>19 through the cracks?</p> <p>20 A. No, not really, not that area.</p> <p>21 There's another area that I just testified to</p> <p>22 that is a small amount, that could include</p> <p>23 some fixed cost. That is a total universe of</p> <p>24 fringe benefits, that may include some fixed</p> <p>25 costs, I don't know.</p>	<p style="text-align: right;">Page 101</p> <p>1 CAMPOS</p> <p>2 the part that you've quantified, and we can</p> <p>3 look at this document at some point, if</p> <p>4 counsel wants to provide it, but the part</p> <p>5 that you've already quantified is the fixed</p> <p>6 cost related to equipment burden; is that</p> <p>7 correct?</p> <p>8 A. I believe that's it, yes.</p> <p>9 Q. And are you still working on the</p> <p>10 fixed costs with respect to the payroll</p> <p>11 burden?</p> <p>12 A. No, I'm not.</p> <p>13 Q. You are not?</p> <p>14 A. The total amount is as we</p> <p>15 accountants would look at it, an</p> <p>16 insignificant amount, and as an insurance</p> <p>17 adjuster would look at it, it's an</p> <p>18 insignificant amount relating to the total</p> <p>19 claim.</p> <p>20 Q. And for that reason you are not</p> <p>21 still working on that figure; is that</p> <p>22 correct, sir?</p> <p>23 A. No, that's right.</p> <p>24 Q. Okay. What is your understanding,</p> <p>25 sir, as to why you are going back and</p>

26 (Pages 98 to 101)

<p style="text-align: right;">Page 102</p> <p><b>1 CAMPOS</b></p> <p><b>2 analyzing the costs prior to and after</b></p> <p><b>3 December 31, 2003?</b></p> <p><b>4 A.</b> Based on as I said earlier, a</p> <p><b>5 motion that you had submitted to the court</b></p> <p><b>6 and discussions with Mr. Philbrick,</b></p> <p><b>7 subsequent to my reviewing that.</b></p> <p><b>8 Q. And what did Mr. Philbrick tell you</b></p> <p><b>9 about that issue?</b></p> <p><b>10 A.</b> He requested that we attempt to</p> <p><b>11 quantify.</b></p> <p><b>12 Q. Did he tell you why?</b></p> <p><b>13 A.</b> Other than the motion -- he didn't</p> <p><b>14 tell me why, no.</b></p> <p><b>15 Q. Okay. And you referred to the</b></p> <p><b>16 "motion," what is it about the motion is your</b></p> <p><b>17 understanding about the costs prior to</b></p> <p><b>18 December 31, 2003?</b></p> <p><b>19 A.</b> Your motion referred to certain</p> <p><b>20 conditions, and I don't want to testify to</b></p> <p><b>21 them and use terminology that may conflict</b></p> <p><b>22 with the specifics of your motion, but that</b></p> <p><b>23 motion referred to policy language, if I</b></p> <p><b>24 remember correctly, and with respect to I'll</b></p> <p><b>25 use the term loosely, don't hold me to this,</b></p>	<p style="text-align: right;">Page 104</p> <p><b>1 CAMPOS</b></p> <p><b>2 EXAMINATION BY (Cont'd.)</b></p> <p><b>3 MR. DESCHENES:</b></p> <p><b>4 Q. I think where we were before we</b></p> <p><b>5 broke was, I was asking you questions about</b></p> <p><b>6 what further investigation you planned to do</b></p> <p><b>7 in this case, and you testified about a few</b></p> <p><b>8 things.</b></p> <p><b>9 Is there anything else you can</b></p> <p><b>10 recall that you plan to do in terms of</b></p> <p><b>11 further investigation in order to testify as</b></p> <p><b>12 an expert in this case?</b></p> <p><b>13 A.</b> Nothing further than what I</p> <p><b>14 testified before the break.</b></p> <p><b>15 Q. And you testified before the break</b></p> <p><b>16 about performing both a quantitative and</b></p> <p><b>17 qualitative analysis of costs incurred prior</b></p> <p><b>18 to December 31, 2003; is that correct?</b></p> <p><b>19 A.</b> Having performed the quantitative</p> <p><b>20 analysis, the qualitative analysis is going</b></p> <p><b>21 to follow with the operational people.</b></p> <p><b>22 Q. Okay. My question was, have you</b></p> <p><b>23 completed the quantitative part of the</b></p> <p><b>24 analysis?</b></p> <p><b>25 A.</b> I think it's been done, yes.</p>
<p style="text-align: right;">Page 103</p> <p><b>1 CAMPOS</b></p> <p><b>2 "repair costs," "replacement," so forth, and</b></p> <p><b>3 it was based on that motion, that my reading</b></p> <p><b>4 of it and discussions with Mr. Philbrick led</b></p> <p><b>5 us jointly to conclude that we should do</b></p> <p><b>6 this, okay, and that's what I've done.</b></p> <p><b>7 Q. And by doing this, doing this</b></p> <p><b>8 analysis of the costs incurred prior to</b></p> <p><b>9 December 31, 2003, are you looking at whether</b></p> <p><b>10 those costs are not recoverable, in other</b></p> <p><b>11 words, under the policy?</b></p> <p><b>12 A.</b> I'd have to look. I'm at the point</p> <p><b>13 where I don't know the answer to that</b></p> <p><b>14 question until there's an operational review</b></p> <p><b>15 of it, okay.</b></p> <p><b>16 Q. Okay. But is that the reason why</b></p> <p><b>17 you are looking at it?</b></p> <p><b>18 A.</b> It could be, I don't know. I don't</p> <p><b>19 know the legalities of it.</b></p> <p><b>20 MR. DESCHENES:</b> Off the record.</p> <p><b>21 (Lunch recess taken 11:58.)</b></p> <p><b>22 AFTERNOON SESSION</b></p> <p><b>23 (Time noted: 12:49 p.m.)</b></p> <p><b>24 CHRIS CAMPOS,</b> resumed and</p> <p><b>25 testified as follows:</b></p>	<p style="text-align: right;">Page 105</p> <p><b>1 CAMPOS</b></p> <p><b>2 Q. Okay. And do you have any</b></p> <p><b>3 knowledge or information about the amount of</b></p> <p><b>4 costs that were incurred prior to</b></p> <p><b>5 December 31, 2003?</b></p> <p><b>6 A.</b> No. My partner was doing this</p> <p><b>7 under my direction, as late as yesterday, and</b></p> <p><b>8 I did not review it, I do not know.</b></p> <p><b>9 Q. Besides the things that you've</b></p> <p><b>10 testified to prior to the break, have you now</b></p> <p><b>11 done everything you need to do in order to</b></p> <p><b>12 formulate your opinions in this case?</b></p> <p><b>13 A.</b> Yes, I believe so.</p> <p><b>14 Q. And subject to the things that you</b></p> <p><b>15 mentioned prior to the break, are your</b></p> <p><b>16 opinions now complete and final?</b></p> <p><b>17 A.</b> Yes.</p> <p><b>18 Q. Did you review any treatises or</b></p> <p><b>19 journals in formulating your opinions in this</b></p> <p><b>20 case?</b></p> <p><b>21 A.</b> No, I did not.</p> <p><b>22 Q. Did you review the MWRA contract</b></p> <p><b>23 documents in formulating your opinions in</b></p> <p><b>24 this case?</b></p> <p><b>25 A.</b> I reviewed the contract, but I</p>

27 (Pages 102 to 105)

<p style="text-align: right;">Page 106</p> <p>1 CAMPOS</p> <p>2 wouldn't say that I did it to formulate my</p> <p>3 opinions. I reviewed the contract to</p> <p>4 understand it, that's all.</p> <p>5 <b>Q. So I understand, you are not</b></p> <p>6 <b>relying on the contract for any of your</b></p> <p>7 <b>opinions in this case; is that correct?</b></p> <p>8 A. Not that I can recall, no, sir.</p> <p>9 <b>Q. Okay. But you looked at the MWRA</b></p> <p>10 <b>contract; is that your testimony?</b></p> <p>11 A. Yes.</p> <p>12 <b>Q. And did you interview any</b></p> <p>13 <b>Insituform personnel in order to formulate</b></p> <p>14 <b>your opinions in this case?</b></p> <p>15 A. Yes.</p> <p>16 <b>Q. Can you tell me who you</b></p> <p>17 <b>interviewed?</b></p> <p>18 A. Mr. Nick Campanile.</p> <p>19 <b>Q. Can you spell his last name?</b></p> <p>20 A. C-A-M-P-A-N-I-L-E.</p> <p>21 <b>Q. And my understanding is he is no</b></p> <p>22 <b>longer with the company; is that correct?</b></p> <p>23 A. That's my understanding.</p> <p>24 <b>Q. When did you interview</b></p> <p>25 <b>Mr. Campanile?</b></p>	<p style="text-align: right;">Page 108</p> <p>1 CAMPOS</p> <p>2 <b>Q. Did you interview any other</b></p> <p>3 <b>personnel from Insituform in order to</b></p> <p>4 <b>formulate your opinions in this case?</b></p> <p>5 A. I had some conversations with</p> <p>6 Mr. Kelley, but they weren't in connection</p> <p>7 with necessarily with my opinion, maybe some</p> <p>8 clarifications or some questions that I had,</p> <p>9 but essentially most of the substantive</p> <p>10 questions were with Campanile.</p> <p>11 <b>Q. Do you recall what you discussed</b></p> <p>12 <b>with Mr. Kelley in your conversations with</b></p> <p>13 <b>him?</b></p> <p>14 A. No, I do not.</p> <p>15 <b>Q. Did you take any notes of those</b></p> <p>16 <b>conversations?</b></p> <p>17 A. No.</p> <p>18 <b>Q. And Mr. Campanile was your primary</b></p> <p>19 <b>contact at Insituform, when you had</b></p> <p>20 <b>conversations with him and interviewed him,</b></p> <p>21 <b>what kind of questions did you ask him?</b></p> <p>22 A. In most instances it was to get</p> <p>23 behind the claim amounts to support them, and</p> <p>24 to question their includibility in the claim,</p> <p>25 these questions along the lines of the fixed</p>
<p style="text-align: right;">Page 107</p> <p>1 CAMPOS</p> <p>2 A. Before I issued my report and</p> <p>3 during the course of my work.</p> <p>4 <b>Q. Was he your primary contact with</b></p> <p>5 <b>Insituform when you were working on your</b></p> <p>6 <b>engagement?</b></p> <p>7 A. Yes, sir.</p> <p>8 <b>Q. Did you interview anybody else from</b></p> <p>9 <b>Insituform in formulating your opinions?</b></p> <p>10 A. Well, during the course of my work,</p> <p>11 I believe I had a conference call with</p> <p>12 Mr. Campanile, and other personnel at</p> <p>13 Insituform, I don't recall specifically their</p> <p>14 names, okay.</p> <p>15 <b>Q. And this was a conference call</b></p> <p>16 <b>with, I take it, more than Mr. Campanile on</b></p> <p>17 <b>the line; is that correct?</b></p> <p>18 A. Yes, sir.</p> <p>19 <b>Q. And at this time you cannot</b></p> <p>20 <b>remember who else participated in that call;</b></p> <p>21 <b>is that correct?</b></p> <p>22 A. That's correct.</p> <p>23 <b>Q. And was this before or after your</b></p> <p>24 <b>report was issued?</b></p> <p>25 A. I believe it was before.</p>	<p style="text-align: right;">Page 109</p> <p>1 CAMPOS</p> <p>2 versus the variable type of expenses, to get</p> <p>3 the actual costs incurred.</p> <p>4 <b>Q. As part of your engagement, did you</b></p> <p>5 <b>investigate Insituform's efforts to mitigate</b></p> <p>6 <b>its damages?</b></p> <p>7 A. I think you asked me that question</p> <p>8 earlier, the answer is no.</p> <p>9 <b>Q. Okay. Did you make any inquiry of</b></p> <p>10 <b>anybody at Insituform in that regard?</b></p> <p>11 A. No.</p> <p>12 <b>Q. According to your report, the data</b></p> <p>13 <b>on the schedules was downloaded from</b></p> <p>14 <b>Insituform's JD Edwards System; is that</b></p> <p>15 <b>correct?</b></p> <p>16 A. That's my understanding.</p> <p>17 <b>Q. What is the "JD Edwards System"?</b></p> <p>18 A. It's a software system.</p> <p>19 <b>Q. Is it a software system for</b></p> <p>20 <b>accounting specifically?</b></p> <p>21 A. Accounting for costs is what I</p> <p>22 understand.</p> <p>23 <b>Q. Sir, in formulating your opinions,</b></p> <p>24 <b>were you ever given direct access to this</b></p> <p>25 <b>internal software program?</b></p>

28 (Pages 106 to 109)

<p style="text-align: right;">Page 110</p> <p>1 CAMPOS</p> <p>2 A. No. I was given access to the</p> <p>3 output.</p> <p>4 Q. Okay. Did you ever ask for</p> <p>5 internal access to the software program?</p> <p>6 A. I don't believe I did.</p> <p>7 Q. Is it fair to say that the numbers</p> <p>8 from the JD Edwards System are only as good</p> <p>9 as the numbers that are put into the system</p> <p>10 initially?</p> <p>11 A. That's I guess a fair statement</p> <p>12 with respect to any computer software system.</p> <p>13 Q. And before the break I think you</p> <p>14 testified that Insituform itself was</p> <p>15 responsible for putting together the package</p> <p>16 of costs initially; is that correct?</p> <p>17 A. Yes, sir.</p> <p>18 Q. And do you have any understanding</p> <p>19 as to who put that package together</p> <p>20 initially?</p> <p>21 MR. PHILBRICK: I'm going to</p> <p>22 object, asked and answered. The witness</p> <p>23 may answer again.</p> <p>24 A. I believe it was Mr. Campanile or</p> <p>25 people under his direction.</p>	<p style="text-align: right;">Page 112</p> <p>1 CAMPOS</p> <p>2 the data and its includibility.</p> <p>3 Q. Okay. Did you ever go on-site and</p> <p>4 look at their numbers on-site and look at</p> <p>5 their documentation on-site to verify that</p> <p>6 the numbers are the same?</p> <p>7 A. When you say "on-site"?</p> <p>8 Q. At their place of business?</p> <p>9 A. Well, they have a couple places of</p> <p>10 business. I did not go to any of the</p> <p>11 locations, no.</p> <p>12 Q. Is it fair to say then that you</p> <p>13 relied on the documents that were provided to</p> <p>14 you from Insituform in formulating your</p> <p>15 opinions?</p> <p>16 A. I used those documents as a</p> <p>17 foundation for my audit and review, I didn't</p> <p>18 rely on them blindly. I audited them, made</p> <p>19 changes to them.</p> <p>20 As I testified to earlier, there</p> <p>21 were substantial changes to the documents</p> <p>22 before the claim was finally submitted, and</p> <p>23 even that which was submitted I critiqued and</p> <p>24 questioned the includibility of some items as</p> <p>25 set forth in my report.</p>
<p style="text-align: right;">Page 111</p> <p>1 CAMPOS</p> <p>2 Q. Okay.</p> <p>3 A. Or possibly even Mr. Kelley under</p> <p>4 his direction.</p> <p>5 Q. Sure. So you got the package of</p> <p>6 materials from Insituform, did you have any</p> <p>7 direct involvement in putting that package</p> <p>8 together initially?</p> <p>9 A. No, sir. I think I've testified to</p> <p>10 that, I did not put it together.</p> <p>11 Q. Right. In other cases, do you ever</p> <p>12 go in and put together the damages documents</p> <p>13 right from the beginning?</p> <p>14 A. Yes. You know, it's part of my</p> <p>15 assignment to do that, yes.</p> <p>16 Q. Okay. And in this particular case</p> <p>17 with regard to Insituform, did you ever</p> <p>18 perform any audit of the numbers that were</p> <p>19 given to you by Insituform?</p> <p>20 A. Well, the use of the word "audit"</p> <p>21 can be misconstrued. I did a review and</p> <p>22 analysis, and you might in the generic sense</p> <p>23 refer to it as an "audit" of the</p> <p>24 documentation, to satisfy myself as to the</p> <p>25 reasonableness of the data, the accuracy of</p>	<p style="text-align: right;">Page 113</p> <p>1 CAMPOS</p> <p>2 Q. Do you know whether anybody besides</p> <p>3 Nick Campanile was involved in assembling the</p> <p>4 costs that were given to you?</p> <p>5 A. As I testified earlier, it could</p> <p>6 have been other people under his direction.</p> <p>7 Q. Do you know? I guess I'm asking if</p> <p>8 you have any knowledge about the identity?</p> <p>9 A. I believe there were, but I don't</p> <p>10 know who, okay.</p> <p>11 Q. Did you work with Larry Mangels at</p> <p>12 all in terms of your engagement?</p> <p>13 A. I believe he may have been in a</p> <p>14 conference call that I had with, and recently</p> <p>15 with him in connection with documenting the</p> <p>16 closeout costs.</p> <p>17 Q. Did you consult at all with</p> <p>18 Tom Porzio?</p> <p>19 A. No, not that I can recall. Unless</p> <p>20 he was on a conference call.</p> <p>21 Q. Did you consult with anybody else</p> <p>22 at Insituform in formulating your opinions in</p> <p>23 this case?</p> <p>24 MR. PHILBRICK: Objection, asked</p> <p>25 and answered. The witness may answer</p>

29 (Pages 110 to 113)



<p style="text-align: right;">Page 114</p> <p>1 CAMPOS</p> <p>2 again.</p> <p>3 A. Other than Mr. Campanile and</p> <p>4 possibly Mr. Mangels and what I may have</p> <p>5 testified to, none that I can recall.</p> <p>6 MR. DESCHENES: Let's mark this as</p> <p>7 the next.</p> <p>8 (Campos Exhibit 5, document, marked</p> <p>9 for identification, as of this date.)</p> <p>10 Q. Are you ready to go?</p> <p>11 A. Yes, sir.</p> <p>12 Q. Okay. I would like to refer you to</p> <p>13 what has been marked as Exhibit No. 5.</p> <p>14 Do you recognize this document?</p> <p>15 A. The basic document, yes, I</p> <p>16 recognize it.</p> <p>17 Q. And what is it?</p> <p>18 A. It's my report of May 22nd to</p> <p>19 Mr. Philbrick on this matter.</p> <p>20 Q. And is that your signature on</p> <p>21 page eight of the report?</p> <p>22 A. Yes, it is.</p> <p>23 Q. Did you draft this report, sir?</p> <p>24 A. The initial draft may have been by</p> <p>25 Ms. Siri, with my changes or we did it</p>	<p style="text-align: right;">Page 116</p> <p>1 CAMPOS</p> <p>2 report; is that correct?</p> <p>3 A. That's correct, sir.</p> <p>4 Q. And that's not something counsel</p> <p>5 told you to do; is that correct?</p> <p>6 A. That's not something counsel or</p> <p>7 anyone told me to do, that's our firm policy.</p> <p>8 Q. Okay. According to page one of</p> <p>9 your report, it states that, and I'm at the</p> <p>10 last sentence of the fifth paragraph, it says</p> <p>11 that your opinions are based on two things,</p> <p>12 four claim binders, your review of the four</p> <p>13 claim binders, and discussions with</p> <p>14 Insituform's management.</p> <p>15 Do you see that?</p> <p>16 A. Yes, sir.</p> <p>17 Q. Is that correct?</p> <p>18 A. Yes, sir.</p> <p>19 Q. On the table in front of us here</p> <p>20 are four binders. I will represent to you</p> <p>21 they are copies of binders that were produced</p> <p>22 to us by counsel, Mr. Philbrick, in this case</p> <p>23 and I just ask you to take a moment, I'm not</p> <p>24 going to ask you to study these binders</p> <p>25 because it would take too much time, but if</p>
<p style="text-align: right;">Page 115</p> <p>1 CAMPOS</p> <p>2 together, I don't recall.</p> <p>3 Q. Was anybody else involved in the</p> <p>4 preparation of the report?</p> <p>5 A. No, sir.</p> <p>6 Q. Were there any prior drafts of this</p> <p>7 report, Exhibit No. 5?</p> <p>8 A. Well, there would be working drafts</p> <p>9 leading to this that may have had</p> <p>10 typographical errors or changes that had to</p> <p>11 be made for clarification purposes, this is</p> <p>12 the final version.</p> <p>13 Q. Do you know how many previous</p> <p>14 drafts there were?</p> <p>15 A. No, I do not. And I do not</p> <p>16 maintain drafts, otherwise I'd need a</p> <p>17 warehouse.</p> <p>18 Q. Well, you anticipated what I was</p> <p>19 going to ask you. Do you still have those</p> <p>20 drafts today?</p> <p>21 A. No, sir, and it's the policy for</p> <p>22 the reason I stated, otherwise I would need a</p> <p>23 warehouse to store everything.</p> <p>24 Q. Sure. So it's your practice and</p> <p>25 procedure to destroy prior drafts of a</p>	<p style="text-align: right;">Page 117</p> <p>1 CAMPOS</p> <p>2 you could take a look at the binders and</p> <p>3 identify for me, after looking at the</p> <p>4 binders, whether these are the four claim</p> <p>5 binders that are referenced in your report?</p> <p>6 A. By a quick review of the beginning</p> <p>7 and ending pages of the binders, it appears</p> <p>8 to be the four claim binders that I reviewed</p> <p>9 and are the basis for my opinion.</p> <p>10 Q. And the four claim binders that are</p> <p>11 referenced in your report; is that correct,</p> <p>12 sir?</p> <p>13 A. Yes, sir.</p> <p>14 MR. DESCHENES: Why don't we do</p> <p>15 this, Charlie, and mark these as 6A, B,</p> <p>16 C and D, does that make sense?</p> <p>17 MR. PHILBRICK: That would be fine.</p> <p>18 MR. DESCHENES: Okay. Can we do</p> <p>19 that, Court Reporter?</p> <p>20 (Campos Exhibits 6A through 6D,</p> <p>21 documents, marked for identification, as</p> <p>22 of this date.)</p> <p>23 Q. Okay. We've now marked the four</p> <p>24 claim binders 6A, 6B, 6C and 6D,</p> <p>25 corresponding with binders 1, 2, 3 and 4</p>

30 (Pages 114 to 117)

<p style="text-align: right;">Page 118</p> <p>1 CAMPOS</p> <p>2 respectively.</p> <p>3 Did you rely on any other documents</p> <p>4 that you reviewed in order to formulate your</p> <p>5 opinions, besides 6A through 6D?</p> <p>6 A. Yes. There were documents in my</p> <p>7 claim -- in my working paper file that were</p> <p>8 produced and Bates numbered, that were</p> <p>9 produced to you, I relied on some of those.</p> <p>10 Q. Okay. Can you identify based on</p> <p>11 your memory right now what those documents</p> <p>12 are, sir?</p> <p>13 A. The specific documents?</p> <p>14 Q. Yes, the specific documents that</p> <p>15 you relied upon in reaching your opinions in</p> <p>16 this case?</p> <p>17 A. There were some claim summaries,</p> <p>18 there were some budgeted expenses that were</p> <p>19 used to establish standard rates, among other</p> <p>20 documents that I cannot recall the specifics</p> <p>21 of, but they're part of the production.</p> <p>22 Q. Now, turning to Exhibit 5, which I</p> <p>23 think is still in front of you, sir, which is</p> <p>24 your report in this case.</p> <p>25 A. Yes, sir.</p>	<p style="text-align: right;">Page 120</p> <p>1 CAMPOS</p> <p>2 A. No, not that as I sit here today</p> <p>3 I'm aware of.</p> <p>4 Q. Do you plan to make any further</p> <p>5 reductions to the claim in this case?</p> <p>6 A. I do not plan to make any further</p> <p>7 reductions or any other changes up or down.</p> <p>8 Q. Okay.</p> <p>9 MR. DESCHENES: Let's mark this</p> <p>10 next one 7.</p> <p>11 (Campos Exhibit 7, document, marked</p> <p>12 for identification, as of this date.)</p> <p>13 Q. Are you all set, sir?</p> <p>14 A. Yes, sir.</p> <p>15 Q. Mr. Campos, I would like you to</p> <p>16 refer to what's opinion marked as Campos</p> <p>17 Exhibit No. 7.</p> <p>18 Do you recognize that document?</p> <p>19 A. Yes, I do.</p> <p>20 Q. What is it?</p> <p>21 A. It's my affidavit in this case,</p> <p>22 dated September 6, 2006.</p> <p>23 Q. Is that your signature on the</p> <p>24 second page?</p> <p>25 A. Yes, sir.</p>
<p style="text-align: right;">Page 119</p> <p>1 CAMPOS</p> <p>2 Q. Do you intend to offer any expert</p> <p>3 opinions in this case beyond what is</p> <p>4 described in this report?</p> <p>5 A. Not that I'm aware of, I don't plan</p> <p>6 to, no, sir.</p> <p>7 Q. So all of the opinions that you</p> <p>8 plan to give in this case are contained in</p> <p>9 Exhibit 5, which is your May 22nd report; is</p> <p>10 that correct?</p> <p>11 A. With the one caveat of the</p> <p>12 adjustment that I guess was referred to just</p> <p>13 before lunch, where I've calculated the fixed</p> <p>14 expense and the material burden, that would</p> <p>15 be in my opinion a reduction of the claim and</p> <p>16 as I look at it, the finalization of the</p> <p>17 closeout costs.</p> <p>18 Q. Okay. With those two pieces in</p> <p>19 mind, which I think you testified to is the</p> <p>20 equipment burden and the reduction of the</p> <p>21 claim as a result of the equipment burden,</p> <p>22 and the finalization of the closeout costs,</p> <p>23 do you plan to offer any other opinions in</p> <p>24 this case other than what is contained in</p> <p>25 your report?</p>	<p style="text-align: right;">Page 121</p> <p>1 CAMPOS</p> <p>2 Q. Who prepared this affidavit, sir?</p> <p>3 A. I don't recall, but whoever</p> <p>4 prepared it, I read it and satisfied myself</p> <p>5 as to its accuracy and executed it.</p> <p>6 Q. Well, let me ask you it</p> <p>7 differently. Did you prepare this affidavit?</p> <p>8 A. I don't recall, sir.</p> <p>9 Q. But you reviewed the affidavit for</p> <p>10 its accuracy before signing it; is that</p> <p>11 correct?</p> <p>12 A. Obviously I did, yes, sir.</p> <p>13 Q. And did you make any changes to the</p> <p>14 affidavit before signing it?</p> <p>15 A. I don't recall.</p> <p>16 Q. And you signed this affidavit under</p> <p>17 the pains and penalties of perjury.</p> <p>18 Do you see that?</p> <p>19 A. Yes, sir.</p> <p>20 Q. Can you turn to paragraph four?</p> <p>21 A. Yes, sir.</p> <p>22 Q. Let me just read it into the</p> <p>23 record. It says "assuming that the</p> <p>24 American Home policy provides coverage for</p> <p>25 the MWRA claim, and as explained and</p>



<p style="text-align: right;">Page 122</p> <p>1 <b>CAMPOS</b></p> <p>2 <b>qualified in my report, the total amount of</b></p> <p>3 <b>recoverable loss is \$7,398,299.05, which is</b></p> <p>4 <b>Insituform's actual cost to remove and</b></p> <p>5 <b>replace the installed pipe; American Home's</b></p> <p>6 <b>share of the recoverable loss is</b></p> <p>7 <b>\$6,398,299.05 as explained and qualified in</b></p> <p>8 <b>my report. The opinions in my report are</b></p> <p>9 <b>based on a reasonable degree of accounting</b></p> <p>10 <b>certainty."</b></p> <p>11 <b>Did I read that correctly, sir?</b></p> <p>12 A. Yes.</p> <p>13 <b>Q. Do you still believe, sir, that the</b></p> <p>14 <b>statement in paragraph four is true and</b></p> <p>15 <b>accurate today?</b></p> <p>16 A. It's the basis of it is true and</p> <p>17 accurate. As I said, subject to the comments</p> <p>18 in my report and subject to the adjustment</p> <p>19 that I mentioned prior to the lunch break,</p> <p>20 which would reduce the claim by that amount</p> <p>21 of that adjustment.</p> <p>22 <b>Q. Okay. That is not still your</b></p> <p>23 <b>opinion today that Insituform is entitled to</b></p> <p>24 <b>recover \$6,399,299.05 from American Home in</b></p> <p>25 <b>this case and not a penny less; is that</b></p>	<p style="text-align: right;">Page 124</p> <p>1 <b>CAMPOS</b></p> <p>2 A. That's correct, and I've so stated,</p> <p>3 I believe as you read in my affidavit, that's</p> <p>4 what I stated.</p> <p>5 <b>Q. Well, let me ask you something else</b></p> <p>6 <b>about your affidavit. You say "as explained</b></p> <p>7 <b>and qualified in my report."</b></p> <p>8 <b>Do you see that?</b></p> <p>9 A. Yes.</p> <p>10 <b>Q. What did you mean by that</b></p> <p>11 <b>statement?</b></p> <p>12 A. As to that, that modifies the</p> <p>13 recoverable loss. In my report I indicated</p> <p>14 there was some fixed expense in there and, as</p> <p>15 I testified earlier, I believe now that has</p> <p>16 to be adjusted downward, and I also said in</p> <p>17 my report that the estimates, that the</p> <p>18 closing costs are estimates of future costs,</p> <p>19 and I have not reviewed any supporting</p> <p>20 documentation to date.</p> <p>21 <b>Q. Well, sir, when you signed the</b></p> <p>22 <b>affidavit, you believed that those fixed</b></p> <p>23 <b>costs were not properly includable in the</b></p> <p>24 <b>claim at that time, didn't you?</b></p> <p>25 A. Yes, and I was in the process of</p>
<p style="text-align: right;">Page 123</p> <p>1 <b>CAMPOS</b></p> <p>2 <b>correct, sir?</b></p> <p>3 A. Not 6.398 million, but 6.398</p> <p>4 minus -- you have my schedule -- I think it's</p> <p>5 \$380,000, and minus an adjustment for the</p> <p>6 closeout cost of some 60 some thousand</p> <p>7 dollars.</p> <p>8 <b>Q. And are there any other adjustments</b></p> <p>9 <b>you would like to make to the total cost that</b></p> <p>10 <b>Insituform is claiming in this case?</b></p> <p>11 A. No, sir, there's nothing of any</p> <p>12 significant nature that has to be adjusted.</p> <p>13 <b>Q. And I think you testified before</b></p> <p>14 <b>that in connection with your opinion, you</b></p> <p>15 <b>made no analysis about whether the</b></p> <p>16 <b>American Home policy provide any coverage in</b></p> <p>17 <b>this case; is that correct?</b></p> <p>18 A. That is not my area of expertise,</p> <p>19 coverage.</p> <p>20 <b>Q. Right.</b></p> <p>21 A. Nor am I qualified or licensed to</p> <p>22 do that.</p> <p>23 <b>Q. So in reaching your conclusions,</b></p> <p>24 <b>you just assumed that the policy would</b></p> <p>25 <b>provide coverage; is that correct?</b></p>	<p style="text-align: right;">Page 125</p> <p>1 <b>CAMPOS</b></p> <p>2 analyzing those at the time, okay.</p> <p>3 <b>Q. Yeah, I understand. So at the time</b></p> <p>4 <b>you signed the affidavit, isn't it true, sir,</b></p> <p>5 <b>that you did not believe that Insituform was</b></p> <p>6 <b>entitled to the full amount of the</b></p> <p>7 <b>\$6,398,299.05 that's listed in your</b></p> <p>8 <b>affidavit?</b></p> <p>9 MR. PHILBRICK: Well, his affidavit</p> <p>10 doesn't say --</p> <p>11 MR. DESCHENES: You can object.</p> <p>12 MR. PHILBRICK: No, you are arguing</p> <p>13 with the witness. His affidavit doesn't</p> <p>14 say that, I object to form.</p> <p>15 MR. DESCHENES: Off the record.</p> <p>16 (Off-the-record discussion held.)</p> <p>17 (Record read.)</p> <p>18 A. When I signed the affidavit, as I</p> <p>19 said in my affidavit, it was that amount as</p> <p>20 explained and qualified in my report and I</p> <p>21 explained and qualified that there was</p> <p>22 amounts that had to come out, and I have</p> <p>23 brought those amounts forward voluntarily</p> <p>24 myself and reduced the claim this morning, so</p> <p>25 yes, they are entitled to 3 million --</p>

32 (Pages 122 to 125)

<p style="text-align: right;">Page 126</p> <p>1 CAMPOS</p> <p>2 6.398 million minus the areas that were</p> <p>3 explained in my report.</p> <p>4 <b>Q. Well, let me ask you this. In your</b></p> <p>5 <b>report, does it quantify the amount of money</b></p> <p>6 <b>for fixed expenses that you think are not</b></p> <p>7 <b>includable in this claim?</b></p> <p>8 A. It doesn't quantify it, it</p> <p>9 identifies the area and I put that in my</p> <p>10 report, that some adjustment has to be made</p> <p>11 is what my report says.</p> <p>12 <b>Q. I understand.</b></p> <p>13 A. Any reasonable person would look at</p> <p>14 the two and understand that it's that minus</p> <p>15 any adjustment that's necessary.</p> <p>16 <b>Q. All right. My question is just</b></p> <p>17 <b>simply this, your report does not quantify</b></p> <p>18 <b>that adjustment; is that correct, sir?</b></p> <p>19 A. And I responded and testified that</p> <p>20 it did not quantify it at the time.</p> <p>21 <b>Q. Okay.</b></p> <p>22 A. But it identified the issue.</p> <p>23 <b>Q. The category?</b></p> <p>24 A. Of fixed expense.</p> <p>25 <b>Q. Okay. Do you want to qualify your</b></p>	<p style="text-align: right;">Page 128</p> <p>1 CAMPOS</p> <p>2 <b>analysis of the costs that were incurred</b></p> <p>3 <b>prior to December 31, 2003?</b></p> <p>4 A. My report will not, the total</p> <p>5 dollars will not change, they would be just</p> <p>6 categorized in different areas, that becomes</p> <p>7 a coverage issue that I am not going to be</p> <p>8 involved in a coverage area, okay.</p> <p>9 <b>Q. So is the answer to my question</b></p> <p>10 <b>that "no," you don't plan, you, do not plan</b></p> <p>11 <b>to change the numbers based on your analysis</b></p> <p>12 <b>of what costs were incurred prior to</b></p> <p>13 <b>December 31, 2003; is that correct?</b></p> <p>14 A. As I sit here today, I do not plan.</p> <p>15 <b>Q. Sir, you have no personal knowledge</b></p> <p>16 <b>about how and why the repair and remediation</b></p> <p>17 <b>costs were incurred in this case; is that</b></p> <p>18 <b>correct?</b></p> <p>19 A. Other than what I've read in the</p> <p>20 documentation, I have no personal knowledge,</p> <p>21 no. I wasn't involved, I wasn't there at the</p> <p>22 time.</p> <p>23 <b>Q. And you were not asked as part of</b></p> <p>24 <b>your engagement to investigate that; is that</b></p> <p>25 <b>correct?</b></p>
<p style="text-align: right;">Page 127</p> <p>1 CAMPOS</p> <p>2 <b>opinions in this case in any other way?</b></p> <p>3 A. In any other way other than the</p> <p>4 fixed amount of the burden and the adjustment</p> <p>5 that's necessary to finalize the closeout</p> <p>6 costs, that is it. I also have said in my</p> <p>7 report that there's the possibility of some</p> <p>8 fixed in the payroll burden, the total</p> <p>9 universe of which is \$117,000, with in my</p> <p>10 opinion is insignificant as an accountant,</p> <p>11 and as someone involved in insurance</p> <p>12 adjustments, it's insignificant in a</p> <p>13 \$7 million claim.</p> <p>14 And I do not know whether what</p> <p>15 part, if any, of the 117,000 would be fixed,</p> <p>16 okay, unless a detailed analysis was made of</p> <p>17 that.</p> <p>18 <b>Q. And that has not been done to date;</b></p> <p>19 <b>is that correct, sir?</b></p> <p>20 A. It has not been done and is not</p> <p>21 intended to be done based on the</p> <p>22 immateriality of the amount.</p> <p>23 <b>Q. Do you plan to qualify your opinion</b></p> <p>24 <b>at all based on the other analysis you</b></p> <p>25 <b>testified about this morning, which is the</b></p>	<p style="text-align: right;">Page 129</p> <p>1 CAMPOS</p> <p>2 A. That's correct, that's not part of</p> <p>3 my assignment to investigate the causes.</p> <p>4 <b>Q. Now, you were also not asked to</b></p> <p>5 <b>analyze whether the costs are reasonably</b></p> <p>6 <b>related to the remediation; is that correct?</b></p> <p>7 MR. PHILBRICK: Object to form.</p> <p>8 The witness may answer if he can.</p> <p>9 A. I think you asked me that question</p> <p>10 before. I was not asked to do that in my</p> <p>11 assignment.</p> <p>12 <b>Q. Okay. That's what I'm trying to</b></p> <p>13 <b>establish. And so in this case you have no</b></p> <p>14 <b>opinion about whether the costs are</b></p> <p>15 <b>reasonably related to the remediation; is</b></p> <p>16 <b>that correct?</b></p> <p>17 MR. PHILBRICK: Objection to form.</p> <p>18 The witness may answer if he can.</p> <p>19 A. I have no opinion as to whether</p> <p>20 they are reasonably related other than the</p> <p>21 collection of the data under a work order</p> <p>22 that was related to the remediation, and that</p> <p>23 it was put together and collected under a</p> <p>24 work order, which the procedures of</p> <p>25 Insituform were that once you set up a work</p>

<p style="text-align: right;">Page 130</p> <p>1 CAMPOS</p> <p>2 order, that everything should be charged to</p> <p>3 that work order, or a "job number" let me</p> <p>4 call it, instead of a "work order."</p> <p>5 <b>Q. But as part of your charge, you</b></p> <p>6 <b>weren't asked to do that analysis; is that</b></p> <p>7 <b>correct, sir?</b></p> <p>8 A. To do which analysis?</p> <p>9 <b>Q. Whether the costs are reasonably</b></p> <p>10 <b>related to the remediation?</b></p> <p>11 MR. PHILBRICK: Objection to form.</p> <p>12 The witness may answer.</p> <p>13 A. I think I answered that question,</p> <p>14 yes, it was not part of my assignment.</p> <p>15 <b>Q. And you were also not asked to</b></p> <p>16 <b>analyze whether the costs are reasonable and</b></p> <p>17 <b>necessary; is that correct, sir?</b></p> <p>18 A. That's correct. Reasonable from</p> <p>19 the point of view of an insurance claim, yes,</p> <p>20 but not that they were necessary or not.</p> <p>21 There was an assumption on my part, as I</p> <p>22 testified several times, that the costs were</p> <p>23 collected under a job number and once the job</p> <p>24 number was created, in connection with this</p> <p>25 job, that the costs would be collected</p>	<p style="text-align: right;">Page 132</p> <p>1 CAMPOS</p> <p>2 are going to get overcharged. There's no</p> <p>3 incentive in the real business world to do</p> <p>4 that.</p> <p>5 Someone may question it from the</p> <p>6 point of view of second guessing, but in the</p> <p>7 real world and in the course of trying to get</p> <p>8 an assignment and this project done as</p> <p>9 quickly as possible, you do not blindly just</p> <p>10 say -- you use people that you are used to</p> <p>11 working with, that you are used to knowing</p> <p>12 that their numbers are accurate; I own a</p> <p>13 building, I get a call from my secretary two</p> <p>14 days ago, we have something to do, who should</p> <p>15 I talk to, talk to so and so, they are</p> <p>16 reasonable. I don't get five quotes on it.</p> <p>17 <b>Q. All right. Well, let me ask you</b></p> <p>18 <b>the question a different way. When you use</b></p> <p>19 <b>the term "reasonable," let me ask you this,</b></p> <p>20 <b>"reasonable" as compared to what?</b></p> <p>21 A. Consists of what?</p> <p>22 <b>Q. No. When you use the term</b></p> <p>23 <b>"reasonable" --</b></p> <p>24 A. Yes.</p> <p>25 <b>Q. -- "reasonable" as compared to</b></p>
<p style="text-align: right;">Page 131</p> <p>1 CAMPOS</p> <p>2 accordingly.</p> <p>3 <b>Q. You were not asked to make any kind</b></p> <p>4 <b>of independent evaluation about whether such</b></p> <p>5 <b>damage figures are too high or too low; is</b></p> <p>6 <b>that correct, sir?</b></p> <p>7 A. I think you've asked me that</p> <p>8 question before, I was not asked to make that</p> <p>9 kind of determination, no, sir.</p> <p>10 Again, I saw no incentive for</p> <p>11 someone to charge more money into the claim</p> <p>12 and pay it out to someone else, there's no</p> <p>13 incentive for that.</p> <p>14 <b>Q. Now, how do you know whether</b></p> <p>15 <b>something is reasonable if you do not look at</b></p> <p>16 <b>whether it could have been done in a cheaper,</b></p> <p>17 <b>less costly way from the perspective of an</b></p> <p>18 <b>insurance company, which is I think how you</b></p> <p>19 <b>qualified that?</b></p> <p>20 A. The work that's done, if for some</p> <p>21 reason somebody blindly accepted an</p> <p>22 overcharge from a vendor in a claim against</p> <p>23 American Home, for purposes of just putting</p> <p>24 it into the American Home claim, then the</p> <p>25 next time they deal with the same vendor they</p>	<p style="text-align: right;">Page 133</p> <p>1 CAMPOS</p> <p>2 <b>what?</b></p> <p>3 A. They are "reasonable" with respect</p> <p>4 to out-of-pocket costs that were incurred in</p> <p>5 connection with the work that was done. To</p> <p>6 me, once you've done that and it's</p> <p>7 reasonable, the Insituform incurs the</p> <p>8 expense, pays it to a third-party and doesn't</p> <p>9 benefit, if there's a \$0.10 overcharge they</p> <p>10 don't benefit from it, they would not want</p> <p>11 the \$0.10 overcharge or \$0.50 overcharge</p> <p>12 because they are going to get stuck with that</p> <p>13 when they are dealing with that vendor in the</p> <p>14 future.</p> <p>15 So it's reasonable when you are</p> <p>16 dealing with vendors that you've dealt with</p> <p>17 before, to incur a charge and pay that charge</p> <p>18 and continue that relationship.</p> <p>19 <b>Q. I didn't mean to interrupt you. As</b></p> <p>20 <b>part of your engagement in this case, you did</b></p> <p>21 <b>not go out and make any comparisons of costs</b></p> <p>22 <b>with other vendors; is that correct, sir?</b></p> <p>23 A. I did not make a comparison with</p> <p>24 other vendors, if such a comparison was able</p> <p>25 to be made retroactively.</p>

34 (Pages 130 to 133)

<p style="text-align: right;">Page 134</p> <p>1 CAMPOS</p> <p>2 <b>Q. Okay. Well, I'm simply inquiring</b></p> <p>3 <b>as to what you did and didn't do in</b></p> <p>4 <b>formulating your opinion in this case?</b></p> <p>5 A. And I've responded that I believe.</p> <p>6 <b>Q. That you did not do that; is that</b></p> <p>7 <b>correct, sir?</b></p> <p>8 A. I did not do that and I qualified</p> <p>9 by saying if such an analysis would be</p> <p>10 possible on a retroactive basis and be</p> <p>11 accurate on a retroactive basis.</p> <p>12 <b>Q. Okay.</b></p> <p>13 A. You go to a vendor and you say, can</p> <p>14 you do something for me and the job is done,</p> <p>15 he'll lowball it.</p> <p>16 <b>Q. Well, are you saying that such an</b></p> <p>17 <b>analysis couldn't be done?</b></p> <p>18 A. Realistic, in retrospect?</p> <p>19 <b>Q. Yeah.</b></p> <p>20 A. In retrospect it couldn't be done</p> <p>21 and be accurate and be reasonable to rely on</p> <p>22 it. If I tell somebody, give me an estimate,</p> <p>23 the job's been done already, give me an</p> <p>24 estimate as to what you would have charged me</p> <p>25 for, what is he going to do, he is going to</p>	<p style="text-align: right;">Page 136</p> <p>1 CAMPOS</p> <p>2 <b>understand.</b></p> <p>3 MR. DESCHENES: Let me turn to the</p> <p>4 next exhibit.</p> <p>5 A. Situations like that, the insurance</p> <p>6 company quite often is involved in the</p> <p>7 adjustment and in reviewing the costs that</p> <p>8 are incurred, and why American Home, if they</p> <p>9 didn't do that, why they didn't do that, I</p> <p>10 don't know.</p> <p>11 <b>Q. Are you saying, sir, that if</b></p> <p>12 <b>American Home was not involved, as you said,</b></p> <p>13 <b>in the adjustment of the claim, it has no</b></p> <p>14 <b>right to come in and analyze whether the</b></p> <p>15 <b>costs are reasonable or not?</b></p> <p>16 A. I didn't say that, but at that</p> <p>17 point your question, their right to second</p> <p>18 guess something that they could have taken</p> <p>19 care of had they adjusted the loss in an</p> <p>20 ongoing basis, okay, normally they go in and</p> <p>21 attempt to try to assist the insured in</p> <p>22 mitigating the loss. That's what the</p> <p>23 adjustment process is all about.</p> <p>24 MR. DESCHENES: Let's turn to the</p> <p>25 next exhibit, Exhibit 8.</p>
<p style="text-align: right;">Page 135</p> <p>1 CAMPOS</p> <p>2 give me a lowball estimate, that lowball</p> <p>3 estimate isn't really what he could have</p> <p>4 charged two years earlier when the case was</p> <p>5 going on.</p> <p>6 It's not something that's worth</p> <p>7 while engaging in.</p> <p>8 <b>Q. I understand your opinion about</b></p> <p>9 <b>incentives, but let me ask you a different</b></p> <p>10 <b>question. From the perspective of an</b></p> <p>11 <b>insurance company, okay, that has to pay a</b></p> <p>12 <b>claim, based on your testimony, if someone</b></p> <p>13 <b>went out, just hypothetically, and accepted</b></p> <p>14 <b>the first bid proposal, and ended up paying</b></p> <p>15 <b>an exorbitant amount for that work, is the</b></p> <p>16 <b>insurance company required to pay that claim?</b></p> <p>17 A. It all depends on was the insurance</p> <p>18 company able to come in and assist in getting</p> <p>19 it done cheaper or not, or whether they just</p> <p>20 sat back and relied on somebody to do this,</p> <p>21 and assuming there was an exorbitant amount</p> <p>22 paid as to how someone would define that in</p> <p>23 retrospect, okay, second guessing. It's not</p> <p>24 as simple as all that.</p> <p>25 <b>Q. I'm just probing to find out, you</b></p>	<p style="text-align: right;">Page 137</p> <p>1 CAMPOS</p> <p>2 (Campos Exhibit 8, document, marked</p> <p>3 for identification, as of this date.)</p> <p>4 A. Yes, sir.</p> <p>5 <b>Q. You've probably never seen the</b></p> <p>6 <b>cover page, which is a letter to Kurt Mullen</b></p> <p>7 <b>who is an associate in my office, from</b></p> <p>8 <b>Charles Philbrick, but attached to this are</b></p> <p>9 <b>some notes, also you probably haven't seen,</b></p> <p>10 <b>but let me ask you, have you ever seen these</b></p> <p>11 <b>notes before that are attached to the cover</b></p> <p>12 <b>letter?</b></p> <p>13 A. No, sir, I don't believe I have.</p> <p>14 <b>Q. Do you recall this conference call</b></p> <p>15 <b>that is identified in the notes on July 25,</b></p> <p>16 <b>2006?</b></p> <p>17 A. I recall a conference call, the</p> <p>18 specific date of which I do not recall, but I</p> <p>19 do recall a conference call with the parties.</p> <p>20 <b>Q. Do you recall who participated in</b></p> <p>21 <b>the call?</b></p> <p>22 A. Well, I see --</p> <p>23 MR. PHILBRICK: Wait a second.</p> <p>24 Objection. You need to answer the</p> <p>25 question without regard to the document.</p>

35 (Pages 134 to 137)



<p style="text-align: right;">Page 138</p> <p>1 CAMPOS</p> <p>2 A. I do not recall all of the people</p> <p>3 who were in the conference call. I know</p> <p>4 Nick Campanile was, I was and Mangels was. I</p> <p>5 don't recall of any others, okay.</p> <p>6 Q. Okay. And as counsel instructed,</p> <p>7 looking at this document, does that refresh</p> <p>8 your recollection as to who participated in</p> <p>9 the call?</p> <p>10 A. Well, it says Mr. Philbrick and</p> <p>11 Mr. Kelley participated in the call along</p> <p>12 with Meghan Siri. I do not recall their</p> <p>13 participating in the call, but they may have.</p> <p>14 Q. Do you recall what the purpose of</p> <p>15 the call was?</p> <p>16 A. No, sir.</p> <p>17 Q. On the second page of the document,</p> <p>18 of the notes which is Bate stamp IOO 159.</p> <p>19 Do you see that at the bottom?</p> <p>20 A. Yes.</p> <p>21 Q. It states under "Campos," do you</p> <p>22 see where I am, about midway down the page?</p> <p>23 A. Yes.</p> <p>24 Q. It states "AIG will have issues</p> <p>25 with payroll burden and equipment burden,</p>	<p style="text-align: right;">Page 140</p> <p>1 CAMPOS</p> <p>2 MR. PHILBRICK: Could you read the</p> <p>3 question back, please.</p> <p>4 (Record read.)</p> <p>5 MR. PHILBRICK: Objection to form.</p> <p>6 A. I do not recall that as a matter of</p> <p>7 the -- as part of the conference call, but as</p> <p>8 I testified a few minutes ago, I had raised</p> <p>9 that issue in my report and at different</p> <p>10 times to Mr. Campanile.</p> <p>11 Q. Understood. We've been throwing</p> <p>12 around some terms like "fixed costs." Can</p> <p>13 you tell me what a "fixed cost" is from an</p> <p>14 accountant's perspective?</p> <p>15 A. "Fixed cost" is a cost that you</p> <p>16 would incur regardless of the activity that's</p> <p>17 involved.</p> <p>18 Q. Or regardless of the claim which we</p> <p>19 have at issue in this case; is that correct?</p> <p>20 A. Well, the claim or the activity</p> <p>21 underlying the claim.</p> <p>22 Q. What is considered a "variable</p> <p>23 cost"?</p> <p>24 A. One that would vary according to</p> <p>25 the activity, according to the volume.</p>
<p style="text-align: right;">Page 139</p> <p>1 CAMPOS</p> <p>2 fixed costs is included in the calculation."</p> <p>3 Do you see that?</p> <p>4 A. Yes.</p> <p>5 Q. Do you recall making that statement</p> <p>6 during the conference call?</p> <p>7 A. No, but I did make this statement</p> <p>8 in my report which preceded the conference</p> <p>9 call.</p> <p>10 Q. Do you recall raising concerns</p> <p>11 about fixed costs in this conference call?</p> <p>12 A. Not specifically the conference</p> <p>13 call, but I do recall raising the issue of</p> <p>14 fixed costs at different times to</p> <p>15 Mr. Campanile.</p> <p>16 Q. This conference call took place, as</p> <p>17 you mentioned, after your report was issued;</p> <p>18 is that correct, sir?</p> <p>19 A. Based on the date of the letter to</p> <p>20 your associate, and the date of the notes, it</p> <p>21 is after my -- it's two months after my</p> <p>22 report.</p> <p>23 Q. Okay. Do you recall stating that</p> <p>24 some of the costs in this claim should not be</p> <p>25 included?</p>	<p style="text-align: right;">Page 141</p> <p>1 CAMPOS</p> <p>2 Q. And in the context of this claim</p> <p>3 what would be an example of a "variable</p> <p>4 cost"?</p> <p>5 A. Could be supplies. In the event</p> <p>6 you had depreciation, it was based on hours</p> <p>7 of usage, that would be a variable cost.</p> <p>8 Materials, if they were part of the overhead.</p> <p>9 Q. In the context of this claim, what</p> <p>10 would be an example of a fixed cost?</p> <p>11 A. Rent. Insurance that doesn't vary</p> <p>12 with activity. Salaries of foremen or</p> <p>13 supervisors. Again, an expense that does not</p> <p>14 vary with activity.</p> <p>15 Q. Now, according to these notes where</p> <p>16 you say that "AIG will have issues with</p> <p>17 payroll burden be and equipment burden," do</p> <p>18 you see that?</p> <p>19 A. That is what the author of these</p> <p>20 notes interpreted of the conference, yes.</p> <p>21 Q. Do you recall making that</p> <p>22 statement?</p> <p>23 MR. PHILBRICK: Objection, asked</p> <p>24 and answered.</p> <p>25 A. I don't recall making the specific</p>

36 (Pages 138 to 141)



<p style="text-align: right;">Page 142</p> <p>1 CAMPOS</p> <p>2 statement that AIG will have issues with, I</p> <p>3 most likely indicated that shouldn't be part</p> <p>4 of the claim. I wouldn't have referred to</p> <p>5 AIG per se because AIG is the parent company,</p> <p>6 as I understand, of American Home. That's</p> <p>7 someone else's interpretation, okay.</p> <p>8 <b>Q. Why shouldn't it be part of the</b></p> <p>9 <b>claim in your opinion?</b></p> <p>10 A. Parts of the payroll burden and</p> <p>11 parts of the equipment burden, the fixed</p> <p>12 portion of it as set forth in my report I say</p> <p>13 should not be part of the claim, which is the</p> <p>14 second bullet point under my name, well, part</p> <p>15 if you count the bullet points as being</p> <p>16 asterisked as part of the first.</p> <p>17 And I note that the person who</p> <p>18 signed, made these notes, says he needs to</p> <p>19 get a copy of my report, my report would have</p> <p>20 spelled those out.</p> <p>21 <b>Q. Do you know what happened as a</b></p> <p>22 <b>result of raising this concern with</b></p> <p>23 <b>Insituform?</b></p> <p>24 MR. PHILBRICK: Object to form.</p> <p>25 The witness may answer if he can.</p>	<p style="text-align: right;">Page 144</p> <p>1 CAMPOS</p> <p>2 <b>with that information, the difference between</b></p> <p>3 <b>actual and standard?</b></p> <p>4 A. Some of that was provided and</p> <p>5 adjustments were made prior to this meeting</p> <p>6 in my May 22nd report, okay. With respect to</p> <p>7 the material, it's the actual material is in</p> <p>8 the claim, the actual labor hours are in the</p> <p>9 claim at a standard rate per hour or per unit</p> <p>10 of material.</p> <p>11 That could vary from actual. My</p> <p>12 experience is when the standards are set they</p> <p>13 are set to bring them within a percentage or</p> <p>14 two plus or minus of the actual so, again,</p> <p>15 it's an immaterial item.</p> <p>16 Nothing was done, but it's not</p> <p>17 material in my opinion. We're talking about</p> <p>18 actual units of material use and actual hours</p> <p>19 and the rates are standard.</p> <p>20 <b>Q. Do you know whether actual costs</b></p> <p>21 <b>are higher or lower than standard costs?</b></p> <p>22 MR. PHILBRICK: Objection to form.</p> <p>23 The witness may answer if he can.</p> <p>24 A. They could be in either direction</p> <p>25 but, as I testified, when they are set they</p>
<p style="text-align: right;">Page 143</p> <p>1 CAMPOS</p> <p>2 A. Well, as I testified earlier, what</p> <p>3 happened was sometime after this</p> <p>4 Mr. Campanile resigned or was no longer with</p> <p>5 Insituform, my primary contact, this appeared</p> <p>6 my report had already gone out, nothing else</p> <p>7 was done until recently in preparation for my</p> <p>8 deposition where I quantified the judgment</p> <p>9 that I testified earlier.</p> <p>10 <b>Q. On the same page there's also a</b></p> <p>11 <b>comment, that says "material cost that's</b></p> <p>12 <b>standard, what is difference between actual</b></p> <p>13 <b>and standard?"</b></p> <p>14 <b>Do you see that?</b></p> <p>15 A. Yes.</p> <p>16 <b>Q. Do you recall making that statement</b></p> <p>17 <b>during the conference call?</b></p> <p>18 MR. PHILBRICK: Objection to form.</p> <p>19 The witness may answer if he can.</p> <p>20 A. Not specifically that statement per</p> <p>21 se, but reference to the fact that standards</p> <p>22 were used and that there could be, that there</p> <p>23 would be a difference between actual and</p> <p>24 standard either up or down.</p> <p>25 <b>Q. Did Insituform ever provide you</b></p>	<p style="text-align: right;">Page 145</p> <p>1 CAMPOS</p> <p>2 are set to approximate each other. And the</p> <p>3 standards are universally used by many, many</p> <p>4 companies in order to charge items during the</p> <p>5 year rather than trying to figure out what</p> <p>6 the actual cost is, and they are set with a</p> <p>7 view toward being as close to actual as</p> <p>8 possible.</p> <p>9 <b>Q. Well, in this particular case, have</b></p> <p>10 <b>you done any analysis of actual costs versus</b></p> <p>11 <b>standard accounts?</b></p> <p>12 A. For certain elements of the claim,</p> <p>13 not for the material costs, material section</p> <p>14 here.</p> <p>15 <b>Q. Okay. Which elements of the claim</b></p> <p>16 <b>did you do that analysis for, sir?</b></p> <p>17 A. Set forth in my report.</p> <p>18 <b>Q. Can you take a look at your report,</b></p> <p>19 <b>and let me know?</b></p> <p>20 A. Well, in connection with the</p> <p>21 equipment burden, the burden itself was put</p> <p>22 in and adjusted Phase I by 2.25 percent and</p> <p>23 Phase II by 8.82 percent downward, \$10,000</p> <p>24 adjustment for Phase II and a \$9,600</p> <p>25 adjustment for Phase I.</p>

37 (Pages 142 to 145)

<p style="text-align: right;">Page 146</p> <p>1 CAMPOS</p> <p>2 <b>Q. What page are you reading from,</b></p> <p>3 <b>sir?</b></p> <p>4 A. Page four of eight, in the second</p> <p>5 paragraph under Phase I and the second</p> <p>6 paragraph under Phase II.</p> <p>7 <b>Q. This is under the subsection of</b></p> <p>8 <b>"equipment," sir?</b></p> <p>9 A. Yes, sir.</p> <p>10 MR. PHILBRICK: Have you answered</p> <p>11 the question?</p> <p>12 THE WITNESS: Yes.</p> <p>13 MR. PHILBRICK: You are reading</p> <p>14 your report as if you were going to say</p> <p>15 something more.</p> <p>16 MR. DESCHENES: I didn't want to</p> <p>17 interrupt him.</p> <p>18 MR. PHILBRICK: When you are done</p> <p>19 would you just close up the report so</p> <p>20 that we all understand.</p> <p>21 A. That's it.</p> <p>22 <b>Q. So just so I'm clear then, that</b></p> <p>23 <b>sort of analysis was done for, the analysis</b></p> <p>24 <b>of actual versus standard cost was done for</b></p> <p>25 <b>the equipment burden, but was not done for</b></p>	<p style="text-align: right;">Page 148</p> <p>1 CAMPOS</p> <p>2 A. Yes, it is.</p> <p>3 <b>Q. And do you recall sending this</b></p> <p>4 <b>letter to Mr. Philbrick?</b></p> <p>5 A. Yes.</p> <p>6 <b>Q. According to this letter, you were</b></p> <p>7 <b>asked to identify which areas of the claim</b></p> <p>8 <b>that have been supported and which require</b></p> <p>9 <b>further documentation, correct?</b></p> <p>10 A. Yes.</p> <p>11 <b>Q. And as of this date, according to</b></p> <p>12 <b>your letter there were incurred costs</b></p> <p>13 <b>totaling \$6,654,922; is that correct?</b></p> <p>14 A. Yes.</p> <p>15 <b>Q. And as of this date, you found that</b></p> <p>16 <b>the claim components that were adequately</b></p> <p>17 <b>supported totaled \$4,664,820.</b></p> <p>18 <b>Do you see that?</b></p> <p>19 A. Yes.</p> <p>20 <b>Q. Meaning that you found</b></p> <p>21 <b>approximately \$2 million of costs that were</b></p> <p>22 <b>unsupported at this time; is that correct?</b></p> <p>23 A. Yes, sir.</p> <p>24 <b>Q. And on the second page, if you will</b></p> <p>25 <b>turn to the second page.</b></p>
<p style="text-align: right;">Page 147</p> <p>1 CAMPOS</p> <p>2 <b>materials; is that correct?</b></p> <p>3 A. For the rate in the materials.</p> <p>4 <b>Q. Right.</b></p> <p>5 A. For the burden it was done, okay.</p> <p>6 <b>Q. Okay.</b></p> <p>7 A. So we understand each other, the</p> <p>8 materials and the labor are actual units.</p> <p>9 The only thing that's a standard is the rate</p> <p>10 itself.</p> <p>11 <b>Q. Understood.</b></p> <p>12 MR. DESCHENES: Let's mark this</p> <p>13 next as Exhibit 9.</p> <p>14 (Campos Exhibit 9, document, marked</p> <p>15 for identification, as of this date.)</p> <p>16 A. Yes, sir.</p> <p>17 <b>Q. Sir, you've been handed what's been</b></p> <p>18 <b>marked as Campos Exhibit No. 9.</b></p> <p>19 <b>Do you recognize this document?</b></p> <p>20 A. It's a letter, yes.</p> <p>21 <b>Q. What is it?</b></p> <p>22 A. It's a letter I sent to</p> <p>23 Mr. Philbrick, dated July 22, 2005.</p> <p>24 <b>Q. And is that your signature on the</b></p> <p>25 <b>second page?</b></p>	<p style="text-align: right;">Page 149</p> <p>1 CAMPOS</p> <p>2 A. Yes.</p> <p>3 <b>Q. Where it states, "I understand that</b></p> <p>4 <b>the \$434,907 of ITI labor includes both</b></p> <p>5 <b>direct labor and overhead, I have not been</b></p> <p>6 <b>provided with the details of the overhead</b></p> <p>7 <b>calculation, however, it is the fixed portion</b></p> <p>8 <b>of the overhead that will not be</b></p> <p>9 <b>recoverable."</b></p> <p>10 <b>Did I read that correctly?</b></p> <p>11 A. Okay. I didn't know where you</p> <p>12 were. You are in the last full paragraph,</p> <p>13 right?</p> <p>14 <b>Q. I am in the last full paragraph. I</b></p> <p>15 <b>apologize for not letting you know where I</b></p> <p>16 <b>was.</b></p> <p>17 <b>Do you see that statement in your</b></p> <p>18 <b>letter?</b></p> <p>19 A. Yes.</p> <p>20 <b>Q. Were you ever provided with the</b></p> <p>21 <b>details of the overhead calculation?</b></p> <p>22 A. Well, this was an ongoing exercise</p> <p>23 and this letter was dated July, which is ten</p> <p>24 months before my final report and I was</p> <p>25 provided with the details of the Insituform</p>

38 (Pages 146 to 149)

Page 150

1 CAMPOS

2 labor that might have totaled some other

3 number as time went on, you know.

4 **Q. As a result of receiving that**

5 **information, did you make a reduction for the**

6 **fixed portion of the overhead, sir?**

7 A. Of the labor?

8 **Q. Yes.**

9 A. No. Only as set forth in my May

10 report of 2006. I think the only thing that

11 still remained open was the area that I

12 testified earlier, which was what amounted to

13 \$117,000 in the final claim.

14 **Q. Which was the fringe benefits; is**

15 **that correct, sir?**

16 A. Yes, yes. Potentially 117.

17 **Q. But that amount has not been**

18 **adjusted down because I think it's**

19 **inconsequential; is that correct, sir?**

20 A. It's an immaterial amount, yes.

21 MR. DESCHENES: Let's mark this

22 next.

23 (Campos Exhibit 10, document,

24 marked for identification, as of this

25 date.)

Page 151

1 CAMPOS

2 A. It's about one and a half percent

3 of the claim, something like that.

4 Yes, sir.

5 **Q. Have you had an opportunity to**

6 **review Exhibit No. 10?**

7 A. Yes.

8 **Q. Do you recognize this document?**

9 A. Yes.

10 **Q. What is it?**

11 A. It's an e-mail From Mr. Kelley to

12 me, dated February 22, 2006 which was part of

13 my production to you.

14 **Q. And do you recall receiving this**

15 **e-mail from Mr. Kelley?**

16 A. Yes.

17 **Q. And this is among the documents you**

18 **produced in this case; is that correct?**

19 A. Yes.

20 **Q. In the fourth paragraph of the**

21 **e-mail, Mr. Kelley states that "we believe**

22 **that with your tutelage from the last year**

23 **the claim is now both better organized and**

24 **justifiable than the last time around."**

25 **Do you see that?**

Page 152

1 CAMPOS

2 A. Yes.

3 **Q. Do you know what Mr. Kelley is**

4 **referring to here when he says "the last time**

5 **around"?**

6 A. It was an ongoing process of

7 looking at binders like this and my comments

8 and recommendations that certain items be

9 removed and, as I testified earlier, I think

10 I saw a claim of 9 million that ultimately

11 got down to 7 million, and that includes both

12 phases, but the elements were included in

13 Phase I and Phase II, so those are the

14 elements that were taken out by them based on

15 my comments.

16 **Q. By using the term "last time**

17 **around," he is referring to your last review**

18 **of the cost documentation, sir?**

19 A. Yes.

20 MR. PHILBRICK: Objection to form,

21 foundation.

22 **Q. I'm trying to find out if he has**

23 **any understanding of what he means by "last**

24 **time around"?**

25 MR. PHILBRICK: His understanding.

Page 153

1 CAMPOS

2 MR. DESCHENES: Right.

3 A. My understanding would be the last

4 time I looked at the binders that were given

5 to me, that preceded the binders that were

6 now going to be sent to me.

7 **Q. What were the problems with whether**

8 **the claim was justifiable in the past?**

9 A. As I indicated, the significant

10 problems were the inclusion of different

11 overheads in the claim that I told them were

12 not properly includable in the claim and

13 which they took out, which was part of the

14 \$9 million that I talked about.

15 **Q. Also included among the problems,**

16 **was fixed costs one of the items?**

17 A. Let me clarify something. There

18 were certain line items that were the entire

19 items should come out.

20 **Q. Understood.**

21 A. There were other items that I

22 commented upon and said that included in that

23 line item, a portion of this should come out,

24 and the initial stages of taking the

25 9 million down were the line items that were

<p style="text-align: right;">Page 154</p> <p>1 CAMPOS</p> <p>2 100 percent should come out, they didn't</p> <p>3 include some of the items that a portion of</p> <p>4 the line items should be taken out.</p> <p>5 That required an additional</p> <p>6 analysis to be made which had not been done,</p> <p>7 and as I set forth in my report that neither</p> <p>8 I nor Insituform had performed that.</p> <p>9 <b>Q. Okay. When you are talking about</b></p> <p>10 <b>an "additional analysis," are you talking</b></p> <p>11 <b>about the fixed versus variable analysis for</b></p> <p>12 <b>equipment burden and payroll burden, sir?</b></p> <p>13 A. Yes.</p> <p>14 <b>Q. Okay. We're done with that.</b></p> <p>15 MR. DESCHENES: All right. Let's</p> <p>16 take a quick break.</p> <p>17 (Recess taken 1:59 until 2:06.)</p> <p>18 <b>Q. I'm going to ask you some questions</b></p> <p>19 <b>about your report itself, sir. Do you have</b></p> <p>20 <b>that handy in that pile there, to your right?</b></p> <p>21 <b>It's Exhibit No. 5.</b></p> <p>22 A. Yes, sir.</p> <p>23 <b>Q. First, turning to page three which</b></p> <p>24 <b>is under the section "payroll."</b></p> <p>25 A. Yes.</p>	<p style="text-align: right;">Page 156</p> <p>1 CAMPOS</p> <p>2 MR. PHILBRICK: I'm going to object</p> <p>3 to form. You've got to specify what</p> <p>4 efforts by Insituform, what efforts by</p> <p>5 Campos. You can't just say anybody.</p> <p>6 MR. DESCHENES: I think you can say</p> <p>7 "objection," Charlie, and that's it.</p> <p>8 <b>Q. Do you understand the question,</b></p> <p>9 <b>sir?</b></p> <p>10 A. Let me have the question again.</p> <p>11 <b>Q. Sure. Do you know what efforts</b></p> <p>12 <b>were made by anyone to verify the hours spent</b></p> <p>13 <b>on mobilization and demobilization?</b></p> <p>14 MR. PHILBRICK: Objection to form,</p> <p>15 compound, vague.</p> <p>16 A. I don't believe anyone took an</p> <p>17 effort to verify them, but the gathering</p> <p>18 process of the information was such that, in</p> <p>19 my opinion, substantiated the hours, they</p> <p>20 were based on the certified payroll</p> <p>21 registers, the supervisors review, creation</p> <p>22 of the time sheets, and the fact that the</p> <p>23 hours charged to this job were less than the</p> <p>24 total hours paid to the employees. That was</p> <p>25 in my opinion reasonably stated.</p>
<p style="text-align: right;">Page 155</p> <p>1 CAMPOS</p> <p>2 <b>Q. On page three. Second full</b></p> <p>3 <b>paragraph indicates that you were unable to</b></p> <p>4 <b>verify mobilization, demobilization hours for</b></p> <p>5 <b>weeks during which Insituform's employees</b></p> <p>6 <b>worked on more than one job.</b></p> <p>7 <b>Do you see that?</b></p> <p>8 A. Yes.</p> <p>9 <b>Q. That is correct, sir?</b></p> <p>10 A. Yes.</p> <p>11 <b>Q. Can you explain to me why you could</b></p> <p>12 <b>not confirm those hours?</b></p> <p>13 A. I did not have available to me the</p> <p>14 time sheets and that would have taken an</p> <p>15 inordinate amount of time to look at various</p> <p>16 time sheets for all the individuals, the time</p> <p>17 sheets of which were prepared by the</p> <p>18 supervisors, that is why I did not do that,</p> <p>19 okay.</p> <p>20 <b>Q. Can you tell me what efforts were</b></p> <p>21 <b>made to document those hours?</b></p> <p>22 A. What I --</p> <p>23 MR. PHILBRICK: Objection to form.</p> <p>24 By whom?</p> <p>25 MR. DESCHENES: Anybody.</p>	<p style="text-align: right;">Page 157</p> <p>1 CAMPOS</p> <p>2 <b>Q. Have you made any efforts since</b></p> <p>3 <b>your report to verify hours spent on</b></p> <p>4 <b>mobilization and demobilization, sir?</b></p> <p>5 A. No, I did not, for the reasons I</p> <p>6 cited; I would have had to go back to a</p> <p>7 multitude of time sheets and I don't think it</p> <p>8 would have been worth the effort.</p> <p>9 <b>Q. Was it possible to calculate the</b></p> <p>10 <b>hours that were specifically spent mobilizing</b></p> <p>11 <b>or demobilization?</b></p> <p>12 A. They were already calculated.</p> <p>13 <b>Q. And to verify that?</b></p> <p>14 A. Now, to verify it, if someone</p> <p>15 thought that the collection of the data was</p> <p>16 incorrect, you would have to go back to</p> <p>17 various time sheets in order to do that.</p> <p>18 <b>Q. Do you know approximately how many</b></p> <p>19 <b>hours are involved for a mobilization and</b></p> <p>20 <b>demobilization?</b></p> <p>21 A. Not off the top of my head, I do</p> <p>22 not know.</p> <p>23 <b>Q. Do you know what the total cost is</b></p> <p>24 <b>at issue, sir?</b></p> <p>25 A. Well, the total payroll costs.</p>

40 (Pages 154 to 157)



<p style="text-align: right;">Page 158</p> <p>1 CAMPOS</p> <p>2 Q. No, I mean with respect to just</p> <p>3 mobilization and demobilization hours?</p> <p>4 A. I thought that's the same question</p> <p>5 as the one before, I don't know the total</p> <p>6 amount, but it would be some small part of</p> <p>7 \$800,000.</p> <p>8 Q. Which was --</p> <p>9 A. \$730,000.</p> <p>10 Q. Okay. Let me just make sure I</p> <p>11 understand where you are reading from. What</p> <p>12 page are you on?</p> <p>13 A. Page two of eight.</p> <p>14 Q. "Two of eight." You just read</p> <p>15 from?</p> <p>16 A. The field-gross pay total of</p> <p>17 704,845 and the wet-out gross pay of 24,997</p> <p>18 would be something shy of \$730,000 and that's</p> <p>19 once a small part of that would be</p> <p>20 mobilization, demobilization for working on</p> <p>21 more than one job.</p> <p>22 Q. Okay. Turning to page three. On</p> <p>23 page three this is where, and you've</p> <p>24 testified about this previously, where you</p> <p>25 state that certain categories of claim costs</p>	<p style="text-align: right;">Page 160</p> <p>1 CAMPOS</p> <p>2 A. That's right, and I identified the</p> <p>3 total universe in one of the schedules that I</p> <p>4 gave you just before lunch, totaling</p> <p>5 \$117,000.</p> <p>6 Q. We'll get to the specifics of if,</p> <p>7 but I'm just trying to lay a foundation here.</p> <p>8 A. Well, I just want to identify it</p> <p>9 for the record.</p> <p>10 Q. We'll get to it, sir. On the</p> <p>11 summary page of the last page, you also</p> <p>12 flagged this as an issue.</p> <p>13 A. Yes, sir.</p> <p>14 Q. In the first full paragraph of your</p> <p>15 summary, last two sentences you say,</p> <p>16 "however, as stated above there's some claim</p> <p>17 costs which appear to be fixed in nature.</p> <p>18 The reparation project would not result in</p> <p>19 any incremental charges for the fixed costs."</p> <p>20 Did I read that correctly?</p> <p>21 A. Yes.</p> <p>22 Q. Now, is it your opinion that these</p> <p>23 fixed costs are not probably chargeable to</p> <p>24 American Home in this lawsuit?</p> <p>25 A. Or to any claim, yes.</p>
<p style="text-align: right;">Page 159</p> <p>1 CAMPOS</p> <p>2 were fixed in nature, and that the</p> <p>3 remediation project would not have resulted</p> <p>4 in any incremental change in fixed costs.</p> <p>5 Do you see that on page three?</p> <p>6 A. I remember the statement, but what</p> <p>7 paragraph are you on, sir.</p> <p>8 Q. It's the fourth full paragraph at</p> <p>9 the end?</p> <p>10 MR. PHILBRICK: What page?</p> <p>11 MR. DESCHENES: Page three of</p> <p>12 eight.</p> <p>13 A. Yes. It's next to the last</p> <p>14 sentence of the fourth paragraph.</p> <p>15 Q. Do you see that?</p> <p>16 A. Yes.</p> <p>17 Q. You also state here that neither</p> <p>18 Insituform nor yourself formed a fixed</p> <p>19 variable analysis of the payroll or equipment</p> <p>20 burden.</p> <p>21 Do you see that?</p> <p>22 A. Yes, sir.</p> <p>23 Q. Then when you turn to the summary</p> <p>24 of your opinion on page eight, you also flag</p> <p>25 this as an issue?</p>	<p style="text-align: right;">Page 161</p> <p>1 CAMPOS</p> <p>2 Q. Okay. So the fixed portion of the</p> <p>3 claim will not be recoverable in this case;</p> <p>4 is that correct, sir?</p> <p>5 A. Yes, and I've quantified that</p> <p>6 earlier today, yes.</p> <p>7 Q. Turning to payroll burden itself,</p> <p>8 on page two.</p> <p>9 A. Yes.</p> <p>10 Q. I had some questions about that.</p> <p>11 Which categories of payroll burden would you</p> <p>12 consider to be fixed in nature?</p> <p>13 A. The category of fringe benefits</p> <p>14 would possibly include certain fixed items,</p> <p>15 not all, all of the others are variable.</p> <p>16 Q. So of the categories listed on this</p> <p>17 table, or these tables I should say, because</p> <p>18 there's both a table for field-payroll and</p> <p>19 wet-out payroll, correct?</p> <p>20 A. Yes.</p> <p>21 Q. The only category which in your</p> <p>22 opinion is fixed is the fringe benefits; is</p> <p>23 that correct?</p> <p>24 A. That has a portion of that category</p> <p>25 that could be fixed.</p>

41 (Pages 158 to 161)



<p style="text-align: right;">Page 162</p> <p>1 CAMPOS</p> <p>2 Q. Okay.</p> <p>3 A. Not all fixed.</p> <p>4 Q. What about let me ask you</p> <p>5 specifically about "general liability."</p> <p>6 Do you see that, sir?</p> <p>7 A. Yes.</p> <p>8 Q. As apart of its labor costs</p> <p>9 Insituform has included costs on general</p> <p>10 liability in Workers' Compensation Insurance;</p> <p>11 is that correct?</p> <p>12 A. Yes.</p> <p>13 Q. And what does "general liability"</p> <p>14 refer to?</p> <p>15 A. The general liability policy.</p> <p>16 Q. And that's a general liability</p> <p>17 policy that covers the entire company; isn't</p> <p>18 that correct?</p> <p>19 A. Yes.</p> <p>20 Q. For all regions?</p> <p>21 A. I assume so.</p> <p>22 Q. For all projects?</p> <p>23 A. For all work they do, yeah.</p> <p>24 Q. Do you consider that to be a fixed</p> <p>25 cost?</p>	<p style="text-align: right;">Page 164</p> <p>1 CAMPOS</p> <p>2 did you go and check and verify that the</p> <p>3 premiums were based on the total amount of</p> <p>4 payroll dollars?</p> <p>5 A. On the general liability I looked</p> <p>6 at the policy and on Workers' Comp. it's my</p> <p>7 experience, my understanding that it's based</p> <p>8 on payroll, and every policy that I've seen</p> <p>9 in my 40 plus years, it's always based on</p> <p>10 payroll.</p> <p>11 Q. Do you have any knowledge as to who</p> <p>12 has the Workers' Compensation?</p> <p>13 A. What's that?</p> <p>14 Q. Strike that, bad question.</p> <p>15 Do you know who the Workers' Comp.</p> <p>16 carrier is, sir?</p> <p>17 A. No, sir.</p> <p>18 Q. Turning to equipment burden, which</p> <p>19 is on page three.</p> <p>20 A. Yes, sir.</p> <p>21 Q. Which categories of equipment</p> <p>22 burden, in your opinion, are fixed in nature,</p> <p>23 sir?</p> <p>24 A. Which are "fixed" you said?</p> <p>25 Q. Yes.</p>
<p style="text-align: right;">Page 163</p> <p>1 CAMPOS</p> <p>2 A. No, sir.</p> <p>3 Q. Why don't you consider that to be a</p> <p>4 fixed cost?</p> <p>5 A. Because the premium is based on</p> <p>6 payroll, so it's an incremental cost.</p> <p>7 Q. How is the premium based on</p> <p>8 payroll, by the number of hours worked or the</p> <p>9 amount of employees that the company has?</p> <p>10 A. By the dollar payroll.</p> <p>11 Q. "Dollar payroll." And the Workers'</p> <p>12 Compensation policy, that also covers the</p> <p>13 entire company; is that correct?</p> <p>14 A. Yes, sir.</p> <p>15 Q. And it covers all the employees of</p> <p>16 the company; is that correct?</p> <p>17 A. Yes, sir.</p> <p>18 Q. Again, do you consider that to be a</p> <p>19 fixed cost or variable cost?</p> <p>20 A. Variable cost.</p> <p>21 Q. Why do you consider that to be a</p> <p>22 variable cost, sir?</p> <p>23 A. Because Workers' Compensation</p> <p>24 insurance is always predicated on payroll.</p> <p>25 Q. And in both instances in this case,</p>	<p style="text-align: right;">Page 165</p> <p>1 CAMPOS</p> <p>2 A. Leasing, depreciation and leased</p> <p>3 vehicles.</p> <p>4 Q. What about on the last bullet</p> <p>5 there, taxes?</p> <p>6 A. Taxes and licenses.</p> <p>7 Q. Are also considered fixed, sir?</p> <p>8 A. Yes, and yes.</p> <p>9 Q. What is "equipment depreciation,"</p> <p>10 sir?</p> <p>11 A. Depreciation taken on equipment.</p> <p>12 Q. And you'd consider that to be in</p> <p>13 the fixed cost category; is that correct,</p> <p>14 sir?</p> <p>15 A. In this instance, yes, based on</p> <p>16 testimony that it is straight line</p> <p>17 depreciation, which is the depreciation is</p> <p>18 written off over specific number of years.</p> <p>19 Not all equipment depreciation is fixed.</p> <p>20 Q. Sometimes equipment depreciation</p> <p>21 can be done on a variable basis?</p> <p>22 A. Yes.</p> <p>23 Q. As opposed to fixed?</p> <p>24 A. Yes, it can.</p> <p>25 Q. But in this case it was done</p>

42 (Pages 162 to 165)

<p style="text-align: right;">Page 166</p> <p>1 CAMPOS</p> <p>2 straight line over five to seven years?</p> <p>3 A. Yes, that's my understanding.</p> <p>4 That's what I considered "fixed."</p> <p>5 Q. And that's because the claim</p> <p>6 doesn't affect the equipment depreciation one</p> <p>7 way or the other; is that correct?</p> <p>8 A. The use of the equipment doesn't</p> <p>9 affect it, that's just the life of the</p> <p>10 equipment.</p> <p>11 Q. Right. And you also mentioned</p> <p>12 taxes and licenses as a fixed cost; is that</p> <p>13 correct?</p> <p>14 A. Yes.</p> <p>15 Q. I think you testified that leasing</p> <p>16 and maintaining the warehouse would also be</p> <p>17 considered a fixed cost, sir?</p> <p>18 A. Yes.</p> <p>19 Q. And is it because Insituform would</p> <p>20 have to pay for the rent regardless of</p> <p>21 whether the MWR claim existed?</p> <p>22 A. Yes.</p> <p>23 Q. Now, turning to the analysis that</p> <p>24 you've provided to me today -- we should just</p> <p>25 mark this as an exhibit, if that's okay with</p>	<p style="text-align: right;">Page 168</p> <p>1 CAMPOS</p> <p>2 Do you see those numbers?</p> <p>3 A. Yes.</p> <p>4 Q. Can you tell me where those</p> <p>5 numbers, where they came from?</p> <p>6 A. From the budget for that area, I</p> <p>7 believe for the year 2003 or 4, the total</p> <p>8 budget.</p> <p>9 Q. I'm sorry, are you finished?</p> <p>10 A. Yes.</p> <p>11 Q. Oh, I'm sorry. It came from a</p> <p>12 total budget, were those actual costs</p> <p>13 incurred or?</p> <p>14 A. Budgeted costs for the year is my</p> <p>15 recollection.</p> <p>16 Q. Did you ever see whether the</p> <p>17 budgeted costs matched up with the actual</p> <p>18 costs?</p> <p>19 A. Not for this specific exercise.</p> <p>20 Q. Okay. And can you describe for me</p> <p>21 what it is that you are attempting to</p> <p>22 calculate on this sheet?</p> <p>23 A. The percentage of the total</p> <p>24 expenditures for equipment burden that were</p> <p>25 fixed as opposed to variable.</p>
<p style="text-align: right;">Page 167</p> <p>1 CAMPOS</p> <p>2 counsel?</p> <p>3 MR. PHILBRICK: Absolutely. Did</p> <p>4 you make copies?</p> <p>5 MR. DESCHENES: Yeah, I did.</p> <p>6 MR. PHILBRICK: Great.</p> <p>7 (Campos Exhibit 11, document,</p> <p>8 marked for identification, as of this</p> <p>9 date.)</p> <p>10 Q. Have you had a chance to look at</p> <p>11 Exhibit No. 11?</p> <p>12 A. Yes, sir.</p> <p>13 Q. Now, at the top of the page there's</p> <p>14 title to the document, "Equipment Burden."</p> <p>15 Do you see that, sir?</p> <p>16 A. Yes.</p> <p>17 Q. "Re: Insituform."</p> <p>18 Did you prepare this document, sir?</p> <p>19 A. It was prepared by Ms. Siri under</p> <p>20 my direction.</p> <p>21 Q. Okay. And at the top of the</p> <p>22 document there are a series of numbers for</p> <p>23 parts and supplies, depreciation, equipment</p> <p>24 lease rental, taxes, licenses and insurance,</p> <p>25 other costs and then a total.</p>	<p style="text-align: right;">Page 169</p> <p>1 CAMPOS</p> <p>2 Q. So at the top, all of those numbers</p> <p>3 are the total costs for equipment burden?</p> <p>4 A. Yes.</p> <p>5 Q. Based on a budgeted number for 2003</p> <p>6 or 2004?</p> <p>7 A. Yes, sir.</p> <p>8 Q. And then there's a subcategory</p> <p>9 called "fixed;" is that correct?</p> <p>10 A. Yes, yes.</p> <p>11 Q. And there are three categories</p> <p>12 listed there, one for depreciation, another</p> <p>13 for equipment, lease rental and then taxes,</p> <p>14 licenses and insurance; is that correct, sir?</p> <p>15 A. Yes.</p> <p>16 Q. And then a total for fixed.</p> <p>17 Do you see that?</p> <p>18 A. Yes.</p> <p>19 Q. Then one line down it says "fixed</p> <p>20 as a percentage of total." How did you</p> <p>21 arrive at that percentage, 53.26?</p> <p>22 A. By taking the \$796,649 and dividing</p> <p>23 it by the 1,495,762.</p> <p>24 Q. The one number doesn't match up</p> <p>25 perfectly and that's the number for equipment</p>

43 (Pages 166 to 169)

<p style="text-align: right;">Page 170</p> <p>1 CAMPOS</p> <p>2 lease rental. Do you see how the numbers at</p> <p>3 the top, it's \$414,410 and then under fixed</p> <p>4 it's \$393,626?</p> <p>5 A. Yes.</p> <p>6 Q. Can you explain for me why there</p> <p>7 are different numbers used there?</p> <p>8 A. There were certain subcategories</p> <p>9 within the general category of equipment,</p> <p>10 lease rental, one of which was a category for</p> <p>11 about \$21,000 that was a variable expense and</p> <p>12 that's why it wasn't included among the</p> <p>13 fixed.</p> <p>14 Q. Okay. And then once you arrive at</p> <p>15 your percentage, explain to me how you</p> <p>16 calculated the number at the bottom there,</p> <p>17 \$280,846.10?</p> <p>18 A. I took the total equipment burden</p> <p>19 that's included in the summary of my report,</p> <p>20 the last page, of \$527,311.49 and multiplied</p> <p>21 it by --</p> <p>22 Q. You are referring now to the</p> <p>23 summary on page nine of your report, right,</p> <p>24 that's where you got that number?</p> <p>25 A. Of schedule one, which would be the</p>	<p style="text-align: right;">Page 172</p> <p>1 CAMPOS</p> <p>2 the budget?</p> <p>3 A. It's part of the production.</p> <p>4 MR. PHILBRICK: That would be a</p> <p>5 "yes."</p> <p>6 A. It would be part of the documents</p> <p>7 that were produced with a CNS Bate stamp.</p> <p>8 MR. DESCHENES: Off the record for</p> <p>9 a moment.</p> <p>10 (Off-the-record discussion held.)</p> <p>11 Q. Can you show me among the documents</p> <p>12 what you are referring to when you say</p> <p>13 "budget"?</p> <p>14 A. Yes, sir. It's CNS 103.</p> <p>15 Q. Do you mind if I walk over and just</p> <p>16 look over your shoulder?</p> <p>17 A. No, sir.</p> <p>18 Q. And it's your testimony that the</p> <p>19 amount of money spent on renting the</p> <p>20 warehouse is not part of this budget; is that</p> <p>21 correct, sir?</p> <p>22 A. There's a category for this. It</p> <p>23 talks about facility costs and so forth, zero</p> <p>24 in here. So if it's not in the burden, it's</p> <p>25 not in the claim the way I would look at it,</p>
<p style="text-align: right;">Page 171</p> <p>1 CAMPOS</p> <p>2 ninth page, yes, and that's where I got the</p> <p>3 number, multiplied it by the 53 percent to</p> <p>4 arrive at \$280,846.10, which I believe is the</p> <p>5 fixed portion of the equipment burden.</p> <p>6 Q. And is it your opinion that the</p> <p>7 claim that has been made against</p> <p>8 American Home in this case of, I'm just going</p> <p>9 to use round numbers here because it's a</p> <p>10 little bit easier, of \$6.4 million should be</p> <p>11 reduced by this amount \$280,846.10?</p> <p>12 A. Yes, sir.</p> <p>13 Q. Under the category "equipment lease</p> <p>14 rental," on Exhibit No. 11.</p> <p>15 A. Yes.</p> <p>16 Q. Does that include the amount of</p> <p>17 rent for the warehouse, as well?</p> <p>18 A. If I recall correctly, there was no</p> <p>19 amount in the budget for the warehouse, okay.</p> <p>20 or for any warehouse.</p> <p>21 Q. No amount in what budget, sir?</p> <p>22 A. The budget from which this</p> <p>23 information was derived that I testified to</p> <p>24 earlier.</p> <p>25 Q. Okay. Do you have that document,</p>	<p style="text-align: right;">Page 173</p> <p>1 CAMPOS</p> <p>2 okay, unless somebody shows me differently</p> <p>3 okay.</p> <p>4 Q. So it's your testimony that the</p> <p>5 amount of rent for the warehouse facility in</p> <p>6 Charlton, Massachusetts is not part of the</p> <p>7 claim presently; is that correct?</p> <p>8 A. Not part of the equipment burden</p> <p>9 calculation, right.</p> <p>10 Q. And, therefore, not part of the</p> <p>11 claim of costs that Insituform is seeking</p> <p>12 against American Home; is that correct?</p> <p>13 A. That's my understanding, yes.</p> <p>14 Q. Easy enough. Let's turn to the</p> <p>15 other document that you were good enough to</p> <p>16 provide me before the break, and mark it as</p> <p>17 Exhibit 12.</p> <p>18 (Campos Exhibit 12, document,</p> <p>19 marked for identification, as of this</p> <p>20 date.)</p> <p>21 A. Yes, sir.</p> <p>22 Q. Have you had a chance to look at</p> <p>23 Exhibit 12?</p> <p>24 A. Yes, sir.</p> <p>25 Q. Can you describe what Exhibit 12 is</p>

44 (Pages 170 to 173)

<p style="text-align: right;">Page 174</p> <p>1 CAMPOS</p> <p>2 for me, sir?</p> <p>3 A. It is the various elements of</p> <p>4 fringe benefit, fringe benefits that are part</p> <p>5 of a claim that are summarized on page two of</p> <p>6 eight of my report, under field payroll,</p> <p>7 110,199 total, and under wet-out payroll of</p> <p>8 7,118, the total of those two equals the</p> <p>9 117,317 -- 316.78 that's on Exhibit 12.</p> <p>10 Q. So this document, Exhibit No. 12,</p> <p>11 just provides much more detail for those</p> <p>12 numbers; is that correct, sir?</p> <p>13 A. It's the detail that's part of the</p> <p>14 claim, that the numbers that appear on</p> <p>15 Exhibit 12 came from the four binders here.</p> <p>16 Q. Okay. And it is your -- well, let</p> <p>17 me ask it, is it your opinion that some of</p> <p>18 these costs would be considered fixed in</p> <p>19 nature?</p> <p>20 A. Some of them may be considered</p> <p>21 fixed. The auto for company car would be</p> <p>22 considered fixed, but there's no dollar</p> <p>23 amount there.</p> <p>24 Q. Okay.</p> <p>25 A. With respect to the others, without</p>	<p style="text-align: right;">Page 176</p> <p>1 CAMPOS</p> <p>2 medical plans and life insurance plans, if</p> <p>3 you are talking about what happens in firms</p> <p>4 like a firm or an accounting firm, that would</p> <p>5 be fixed, but when you are talking about</p> <p>6 union workers, it could be based on hours</p> <p>7 worked.</p> <p>8 And it would be unfair for me to</p> <p>9 just assume one way or another without</p> <p>10 getting into all of the details, and the same</p> <p>11 would be true with vacation holiday pay,</p> <p>12 etc., but when I step back and look at it,</p> <p>13 and look at the entire amount and say it's a</p> <p>14 little over 1 percent of the claim, is it</p> <p>15 worth the effort of going through this and</p> <p>16 analyzing it, in my opinion, no.</p> <p>17 Q. Okay. And I understand you don't</p> <p>18 think it's worth the effort and why you think</p> <p>19 that but, just so the record is clear, no</p> <p>20 analysis has been done to date of variable</p> <p>21 versus fixed costs for the items on</p> <p>22 Exhibit 12; is that correct?</p> <p>23 A. That's correct.</p> <p>24 Q. Okay. Going back to your report,</p> <p>25 turning to -- let me just ask one other</p>
<p style="text-align: right;">Page 175</p> <p>1 CAMPOS</p> <p>2 knowing exactly how the expenditure is</p> <p>3 incurred and without making an assumption, it</p> <p>4 would be unfair to say it's either fixed or</p> <p>5 variable. For example, the 401K matching to</p> <p>6 me would be a variable. The contribution to</p> <p>7 the union --</p> <p>8 Q. Can I just stop you and ask why you</p> <p>9 would consider that to be a variable?</p> <p>10 A. Based on payroll.</p> <p>11 Q. "Based on payroll"?</p> <p>12 A. Right.</p> <p>13 Q. You are assuming that these people</p> <p>14 wouldn't be working in some other capacity,</p> <p>15 the same level of hours?</p> <p>16 A. Well, the company would match their</p> <p>17 contribution based on a salary that they</p> <p>18 made, they may be not working or they may not</p> <p>19 be making this kind of money, but it's a</p> <p>20 variable expense no matter what, just like</p> <p>21 payroll taxes would be variable.</p> <p>22 With regard to contribution of a</p> <p>23 union pension and welfare, if that's</p> <p>24 predicated on a dollar amount per hour, that</p> <p>25 would be a variable. When you get to the</p>	<p style="text-align: right;">Page 177</p> <p>1 CAMPOS</p> <p>2 cleanup question. Are there any other items</p> <p>3 in the claim that you would consider to be</p> <p>4 fixed in nature and, therefore, not</p> <p>5 recoverable in this lawsuit, other than what</p> <p>6 you've previously testified to?</p> <p>7 A. Potentially fixed would be the</p> <p>8 fringe benefits, a portion of which could be</p> <p>9 potentially fixed, there are no other items</p> <p>10 in the claim that are of a fixed nature.</p> <p>11 Q. Okay. Page four of your report,</p> <p>12 there is a table at the top.</p> <p>13 Do you see that, sir?</p> <p>14 A. Yes, sir.</p> <p>15 Q. It's a table of different hourly</p> <p>16 rates for equipment.</p> <p>17 Do you see that?</p> <p>18 A. Equipment burden?</p> <p>19 Q. Yes.</p> <p>20 A. Yes.</p> <p>21 Q. And there appears to be an \$8</p> <p>22 difference in the hourly rates used for</p> <p>23 New England and California after March 1st of</p> <p>24 '04.</p> <p>25 Do you see that?</p>

45 (Pages 174 to 177)



Page 178

1 CAMPOS  
 2 A. Yes.  
 3 **Q. Then you state on page four, a few**  
 4 **paragraphs down, "I tested the equipment**  
 5 **burden and determined that the rates were**  
 6 **correctly applied to the hours worked."**  
 7 **Do you see that statement?**  
 8 A. Yes.  
 9 **Q. Where did these rates come from?**  
 10 A. The claim documentation.  
 11 **Q. Okay. Did they come from**  
 12 **Insituform?**  
 13 A. They were part of the work order,  
 14 part of the job order that had the rates were  
 15 charged to the job order based on the  
 16 accounting system in place at the time.  
 17 **Q. Understood. I'm just trying to**  
 18 **find out whether these numbers came from**  
 19 **Insituform?**  
 20 A. Yeah, yes.  
 21 **Q. "Yes," okay. And do you understand**  
 22 **why there is that difference between**  
 23 **New England and California of \$8?**  
 24 A. There was some testimony on that by  
 25 I think Mr. Porzio on why there's a

Page 179

1 CAMPOS  
 2 difference between the rates and bringing in  
 3 people to get the work done, okay.  
 4 **Q. I understand. I'm asking your**  
 5 **understanding of it though. Do you --**  
 6 A. Go ahead.  
 7 **Q. Go ahead.**  
 8 A. I understand it's predicated on the  
 9 deposition testimony.  
 10 **Q. As part of your retention and**  
 11 **engagement in this case, did you test or**  
 12 **evaluate the rates themselves?**  
 13 A. These aren't rates paid to people,  
 14 these are hourly rates to apply to equipment  
 15 burden.  
 16 **Q. I understand.**  
 17 A. And whatever I've done is set forth  
 18 in these paragraphs below, okay, and what  
 19 happens is I've done the testing that appears  
 20 in the paragraphs on page four of my report.  
 21 **Q. Well, I guess what I'm asking is,**  
 22 **did you form any opinion as to whether these**  
 23 **rates are too high or too low or have any**  
 24 **opinion about that?**  
 25 A. They are what they were, and they

Page 180

1 CAMPOS  
 2 were charged to the claim. I see the  
 3 New England crew's, the labor rate went --  
 4 the burden rate went down \$9 after March 1st  
 5 of '04. They were what they were.  
 6 **Q. Separate and apart from**  
 7 **Mr. Porzio's testimony, do you have any**  
 8 **understanding as to why the California crew**  
 9 **was used on this job?**  
 10 A. In situations like this, it's my  
 11 experience you mobilize the people using the  
 12 term not in the sense of mobilization and  
 13 demobilization, but you bring in people to  
 14 get the work done as expeditiously as  
 15 possible from wherever you can, based on  
 16 where they are.  
 17 It may be you find yourself in a  
 18 situation where you have someone that's ten,  
 19 twenty miles away or a couple hundred miles  
 20 away, but they are occupied on a different  
 21 project, you can't pull them off the project  
 22 to get the work done, so you bring them from  
 23 wherever they are available, and that's what  
 24 I assume happened here.  
 25 **Q. Okay. Do you have any opinion**

Page 181

1 CAMPOS  
 2 **about whether it was proper in this**  
 3 **particular claim to charge California rates**  
 4 **as opposed to New England rates after**  
 5 **March 1st of 2004?**  
 6 A. It was not part of my assignment to  
 7 look at that, and I have no opinion.  
 8 **Q. You have no opinion one way or the**  
 9 **other on that?**  
 10 A. Those, these are the rates that  
 11 were in effect. The burden rates were in  
 12 effect by the corporation and they are what  
 13 they are. I have no opinion as to whether  
 14 they are too high or too low.  
 15 **Q. Okay. Turning to page three of**  
 16 **your report, sir.**  
 17 A. Yes.  
 18 **Q. It says in the second full**  
 19 **paragraph that -- I'm sorry, strike that.**  
 20 **On the third paragraph it says that**  
 21 **"different rates were used for the same**  
 22 **employee."**  
 23 **Do you see that?**  
 24 A. Yes.  
 25 **Q. And in terms of payroll rates**

46 (Pages 178 to 181)



<p style="text-align: right;">Page 182</p> <p>1 CAMPOS</p> <p>2 Insituform used different rates depending on</p> <p>3 whether the work was yard work, on-site work</p> <p>4 or mobilization, demobilization; is that</p> <p>5 correct?</p> <p>6 A. Yes.</p> <p>7 Q. Do you know why Insituform uses</p> <p>8 different rates for those activities?</p> <p>9 A. They were set forth in tab A. When</p> <p>10 I questioned this, I was given the</p> <p>11 explanation that they were using different</p> <p>12 rates based on the work that they did and I</p> <p>13 was referred to tab A, and there's where</p> <p>14 these differences are addressed by</p> <p>15 Insituform.</p> <p>16 Q. And are those rates, rates that</p> <p>17 they pay their employees in salary?</p> <p>18 A. It's my understanding.</p> <p>19 Q. They are not the rates that they</p> <p>20 charge their customers?</p> <p>21 A. They don't charge their customer on</p> <p>22 a cost plus basis, most of the work that they</p> <p>23 do for their customers are on a fixed price.</p> <p>24 Q. That's what I'm asking.</p> <p>25 A. Well, it's a fixed price so they</p>	<p style="text-align: right;">Page 184</p> <p>1 CAMPOS</p> <p>2 its employees?</p> <p>3 A. I understood from only what I</p> <p>4 gathered from deposition testimony, okay, and</p> <p>5 discussions with Insituform personnel.</p> <p>6 Q. Well, did you have any</p> <p>7 understanding as to why this premium was</p> <p>8 necessary prior to reviewing the deposition</p> <p>9 transcripts in this case?</p> <p>10 A. In discussions with Nick, yes.</p> <p>11 Q. Okay. What did he tell you about</p> <p>12 why it was necessary to pay a premium?</p> <p>13 A. If I remember correctly, we're</p> <p>14 talking about the work being done 30 feet</p> <p>15 below ground and so forth, okay.</p> <p>16 Q. Do you know whether Insituform</p> <p>17 ordinarily charges its customers such</p> <p>18 premiums?</p> <p>19 A. It's built into their pricing</p> <p>20 structure.</p> <p>21 Q. I'm asking in other jobs, do you</p> <p>22 know whether Insituform customarily pays such</p> <p>23 premiums and passes that cost along to its</p> <p>24 customers?</p> <p>25 A. Well, again, they don't -- they do</p>
<p style="text-align: right;">Page 183</p> <p>1 CAMPOS</p> <p>2 charge their customer based on an estimate of</p> <p>3 what it would cost them to do the work, and</p> <p>4 add to it overhead and profit in the billing.</p> <p>5 But they don't say that, or like I would or</p> <p>6 you would, so many hours at a billing rate,</p> <p>7 that's not the way they operate normally.</p> <p>8 Q. That's what I'm trying to find out</p> <p>9 by asking the question. What I'm trying to</p> <p>10 determine is this is the amount they actually</p> <p>11 had to pay their employees in payroll?</p> <p>12 A. Yes.</p> <p>13 Q. As opposed to an amount they</p> <p>14 charged their customer?</p> <p>15 A. That's correct.</p> <p>16 Q. From the binders it also seems</p> <p>17 there's a page ITI AIG 000003 in the cost</p> <p>18 binders, that refers to paying employees</p> <p>19 premiums of 100 or \$50 a day.</p> <p>20 Do you recall that, sir?</p> <p>21 A. The payment of a premium, yes.</p> <p>22 Q. From the documents it looks like</p> <p>23 this amount amounted to about \$36,000 and</p> <p>24 some change. Did you make any inquiries,</p> <p>25 sir, as to why Insituform paid a premium to</p>	<p style="text-align: right;">Page 185</p> <p>1 CAMPOS</p> <p>2 it on a fixed price so, therefore, it's</p> <p>3 included in their estimated fixed price, they</p> <p>4 pay their employees that, but it's built into</p> <p>5 their costs.</p> <p>6 Q. Well, let me ask you it differently</p> <p>7 then. Do you know whether Insituform has</p> <p>8 paid premiums such as 100,000 -- \$100 or \$50</p> <p>9 per day to its employees on other jobs?</p> <p>10 A. It's my understanding that they</p> <p>11 did.</p> <p>12 Q. That they customarily do that?</p> <p>13 A. That's my understanding on similar</p> <p>14 jobs, what I might call my own terminology,</p> <p>15 "hazard duty pay," okay.</p> <p>16 Q. And who told you that?</p> <p>17 A. Told me what?</p> <p>18 Q. That they customarily pay premiums</p> <p>19 to their employees on other jobs?</p> <p>20 A. Nick Campanile.</p> <p>21 Q. Okay. Now, in looking at the cost</p> <p>22 documentation, it looks like D'Allessandro,</p> <p>23 it looks like D'Allessandro charged</p> <p>24 approximately \$900,000 on its labor for</p> <p>25 Phases I and II?</p>

47 (Pages 182 to 185)

Page 186

1 CAMPOS  
 2 A. When you say "pages one and two"?  
 3 Q. "Phases I and II."  
 4 A. Oh, "Phases I and II." What was  
 5 the amount of money, sir?  
 6 Q. \$900,000?  
 7 A. Okay.  
 8 Q. And it also appears that Insituform  
 9 had agreed to pay D'Allessandro a cost plus  
 10 15 percent for Phase I, and costs plus 9  
 11 percent for Phase II.  
 12 A. Yes, sir.  
 13 Q. Is that correct?  
 14 A. That's my understanding, my  
 15 recollection.  
 16 Q. Do you know why Insituform didn't  
 17 negotiate that lower rate for Phase I work?  
 18 A. No, I do not know it, but normally  
 19 you end up paying costs plus ten and ten,  
 20 which would be more than 15 percent or more  
 21 than 9.  
 22 Q. Well, did you make any inquiry of  
 23 Insituform as to why they didn't get the  
 24 lower rate for Phase II?  
 25 A. What lower rates?

Page 187

1 CAMPOS  
 2 Q. For Phase I? Excuse me, I  
 3 misspoke.  
 4 A. No, I do not.  
 5 Q. Okay.  
 6 A. But as I said earlier, it's lower  
 7 than the normal rate of 10 for overhead and  
 8 10 for profit. That's what's normally  
 9 charged by a contractor, 10 plus 10.  
 10 Q. Do you know what other efforts were  
 11 made to reduce D'Allessandro's labor costs in  
 12 this case?  
 13 A. No, sir.  
 14 Q. Did you make any inquiry in that  
 15 regard?  
 16 A. No, sir.  
 17 Q. Do you know what tasks  
 18 D'Allessandro performed in the reparation  
 19 project?  
 20 A. Without specific reference to the  
 21 documents, I don't recall.  
 22 Q. Do you know whether Insituform  
 23 could have used some of its own employees to  
 24 perform some of this labor at a reduced rate?  
 25 A. I understand there was an issue

Page 188

1 CAMPOS  
 2 about that that was raised by, but they  
 3 didn't have the personnel available and  
 4 borrowed personnel from other geographic  
 5 areas, plus the fact that D'Allessandro was  
 6 accustomed to doing this, and was right up  
 7 their alley, and on the one hand you might  
 8 have saved the dollar and cost you 10  
 9 somewhere else.  
 10 Q. In formulating your opinions in  
 11 this case, did you make any inquiry in that  
 12 regard?  
 13 A. No, I did not, sir.  
 14 Q. Okay. In your report there's  
 15 mention of future estimated costs of  
 16 \$264,000, which is on page, it's toward the  
 17 end, "closeout costs," on page seven?  
 18 A. Yes, sir.  
 19 Q. At the time that your report was  
 20 prepared, there was no supporting  
 21 documentation for these costs; is that  
 22 correct, sir?  
 23 A. That's correct, they were  
 24 estimates.  
 25 Q. And do you know what the basis of

Page 189

1 CAMPOS  
 2 those estimates were?  
 3 A. No, I do not.  
 4 Q. Do you have any opinions about  
 5 whether this number is supportable or not?  
 6 A. This is a number that I understand  
 7 from Mr. Mangels, he will be furnishing  
 8 underlying documents to support this sometime  
 9 within the next week.  
 10 Q. And do you have any knowledge, I  
 11 think you might have given a number earlier  
 12 today, do you have any knowledge as to what  
 13 the costs actually were for closeout?  
 14 A. His ballpark number totaled  
 15 261,000 -- I'm sorry, \$201,000.  
 16 Q. Okay. So the actual closeout  
 17 costs, based on your understanding, are  
 18 somewhat less than the projected costs; is  
 19 that correct, sir?  
 20 A. Yes, sir.  
 21 Q. It also appears from the cost  
 22 documentation that a lot of money was spent  
 23 on bypass pumping costs. Do you recall that?  
 24 A. I recall references to that, yes.  
 25 Q. Based on my calculations, you may

48 (Pages 186 to 189)

<p style="text-align: right;">Page 190</p> <p><b>1 CAMPOS</b></p> <p><b>2 not agree with me, it was somewhere around</b></p> <p><b>3 the neighborhood of 1.4 million for Phase I</b></p> <p><b>4 and about \$300,000 for Phase II; is that</b></p> <p><b>5 correct?</b></p> <p><b>6 A.</b> I don't know, sir. I don't recall,</p> <p><b>7 nor did I identify that in my report as being</b></p> <p><b>8 bypass costs.</b></p> <p><b>9 Q. Okay. You made no effort to try to</b></p> <p><b>10 just track that one individual cost?</b></p> <p><b>11 A.</b> To identify bypass itself, no, sir.</p> <p><b>12 Q. Okay. Do you know what efforts</b></p> <p><b>13 were made by Insituform to mitigate those</b></p> <p><b>14 costs?</b></p> <p><b>15 A.</b> Which costs?</p> <p><b>16 Q. The bypass costs?</b></p> <p><b>17 A.</b> No, sir.</p> <p><b>18 Q. Do you know whether Insituform</b></p> <p><b>19 explored buying the pumps outright rather</b></p> <p><b>20 than just leasing them?</b></p> <p><b>21 A.</b> I don't believe they did, but I</p> <p><b>22 don't recall specifically, okay.</b></p> <p><b>23 Q. Now, it appears that Phase II</b></p> <p><b>24 pumping was less expensive than Phase I</b></p> <p><b>25 pumping; is that correct, sir?</b></p>	<p style="text-align: right;">Page 192</p> <p><b>1 CAMPOS</b></p> <p><b>2 marked as Campos Exhibit No. 13.</b></p> <p><b>3 Do you recognize this document,</b></p> <p><b>4 sir?</b></p> <p><b>5 A.</b> I recognize what it is.</p> <p><b>6 Q. What is it?</b></p> <p><b>7 A.</b> It's a letter from Mr. Kelley to</p> <p><b>8 Mr. Philbrick, Mr. Martin and myself.</b></p> <p><b>9 Q. Do you recall receiving this</b></p> <p><b>10 letter?</b></p> <p><b>11 A.</b> No.</p> <p><b>12 Q. It appears to be among the</b></p> <p><b>13 documents that are produced from your file in</b></p> <p><b>14 this case?</b></p> <p><b>15 A.</b> It was.</p> <p><b>16 Q. In the second paragraph it states,</b></p> <p><b>17 "I will call Chris Campos to explain a couple</b></p> <p><b>18 of details which did not address some of his</b></p> <p><b>19 concerns."</b></p> <p><b>20 Do you see that?</b></p> <p><b>21 A.</b> Yes.</p> <p><b>22 Q. What were those concerns, sir?</b></p> <p><b>23 A.</b> I don't recall, I don't know what</p> <p><b>24 he is talking about.</b></p> <p><b>25 Q. Okay. Do you recall whether</b></p>
<p style="text-align: right;">Page 191</p> <p><b>1 CAMPOS</b></p> <p><b>2 A.</b> Pumping.</p> <p><b>3 Q. Yes, the bypass pumping costs were</b></p> <p><b>4 less for Phase II than Phase I?</b></p> <p><b>5 A.</b> Again, I didn't identify the bypass</p> <p><b>6 as a separate lineup. In the documents that</b></p> <p><b>7 I have, it wasn't identified that way so I</b></p> <p><b>8 can't answer you off the top of my head or by</b></p> <p><b>9 reference to my report.</b></p> <p><b>10 Q. And as part of your engagement in</b></p> <p><b>11 this case, did you make any inquiry as to</b></p> <p><b>12 Insituform's efforts to reduce the costs of</b></p> <p><b>13 bypassing pumps?</b></p> <p><b>14 MR. PHILBRICK:</b> Objection, asked</p> <p><b>15 and answered. The witness may answer it</b></p> <p><b>16 again.</b></p> <p><b>17 A.</b> I think you asked that earlier, but</p> <p><b>18 you used the word "mitigate" instead, and the</b></p> <p><b>19 answer is still the same, no.</b></p> <p><b>20 MR. DESCHENES:</b> Exhibit 13.</p> <p><b>21 (Campos Exhibit 13, document,</b></p> <p><b>22 marked for identification, as of this</b></p> <p><b>23 date.)</b></p> <p><b>24 A.</b> Yes, sir.</p> <p><b>25 Q. I've handed to you what's opinion</b></p>	<p style="text-align: right;">Page 193</p> <p><b>1 CAMPOS</b></p> <p><b>2 Mr. Kelley called you to explain why</b></p> <p><b>3 Insituform did not address your concerns?</b></p> <p><b>4 MR. PHILBRICK:</b> Object to form.</p> <p><b>5 The witness may answer if he can.</b></p> <p><b>6 A.</b> I don't recall, sir.</p> <p><b>7 Q. Do you recall any discussions at</b></p> <p><b>8 any time with Mr. Kelley about the fact that</b></p> <p><b>9 some of your concerns were not addressed?</b></p> <p><b>10 A.</b> No, I don't recall any</p> <p><b>11 conversations, but the fact that some of the</b></p> <p><b>12 comments that I made with respect to fixed</b></p> <p><b>13 versus variable and some of the comments I</b></p> <p><b>14 had made earlier, and ultimately in my</b></p> <p><b>15 May 22, 2006 report were not taken care of.</b></p> <p><b>16 I presume this may be what he was</b></p> <p><b>17 talking about, I don't know.</b></p> <p><b>18 Q. Do you know whether Insituform was</b></p> <p><b>19 paid the full contract price for its original</b></p> <p><b>20 work on this project?</b></p> <p><b>21 A.</b> I recall some reference to that,</p> <p><b>22 but I don't recall whether they were or not.</b></p> <p><b>23 Q. And would that fact whether they</b></p> <p><b>24 were paid full contract price or not have any</b></p> <p><b>25 affect on your opinions in this case?</b></p>

49 (Pages 190 to 193)

Page 194

1 CAMPOS

2 A. No, sir.

3 **Q. Now, do you recall when the Phase I**

4 **repairs began?**

5 A. I believe as set forth in my

6 report, I didn't memorize it, but the work

7 was performed from October 2003, beginning

8 then.

9 **Q. Do you know how long the Phase I**

10 **repairs took to complete?**

11 A. According to the reference in my

12 report, it's through June 2004.

13 **Q. Between October 2003 and**

14 **January 2004, had Insituform removed and**

15 **replaced any of the liner?**

16 A. I don't recall whether they removed

17 and replaced any of the liner specifically by

18 that date.

19 **Q. During that three-month period,**

20 **sir?**

21 A. I don't recall, sir.

22 **Q. Are you aware of the amount of**

23 **costs that were incurred between October 2003**

24 **and January 2004?**

25 A. No, sir.

Page 195

1 CAMPOS

2 **Q. Is that the inquiry that you**

3 **mentioned that you were doing earlier --**

4 **strike that.**

5 **Is that the inquiry, the analysis**

6 **you are performing that you testified to**

7 **earlier today?**

8 A. It would be through December 31,

9 2003.

10 **Q. Trying to figure out and quantify**

11 **the amount of costs that were incurred prior**

12 **to December 31, 2003?**

13 A. Through that date, yes.

14 **Q. Do you know whether that relates to**

15 **the fact that the pipe was not actually**

16 **removed and replaced until after that date?**

17 A. I don't recall the specifics, sir,

18 okay.

19 **Q. Do you recall any explanation for**

20 **why you were asked to perform that analysis?**

21 A. I think as I testified earlier,

22 there was some reference here --

23 MR. PHILBRICK: Before you go to

24 it, give him your best recollection. If

25 he wants to ask you to look at it that's

Page 196

1 CAMPOS

2 another story.

3 A. The motion that you had filed is

4 what I testified earlier, and I think that's

5 my understanding of a discussion regarding

6 that with Mr. Philbrick led to this.

7 **Q. Okay. You are referring to**

8 **American Home's motion for summary judgment,**

9 **sir?**

10 A. American Home's motion supplemental

11 memorandum in the support of its opposition

12 to Insituform's cross motion for summary

13 judgment.

14 **Q. Okay. As a result of that did**

15 **Mr. Philbrick ask you to form this analysis**

16 **of costs that were incurred prior to**

17 **December 31, 2003?**

18 A. I believe that it was a joint

19 understanding, yes.

20 **Q. Okay.**

21 MR. DESCHENES: I'm not going to

22 mark this because it's already been

23 marked in Porzio, I'm just going to ask

24 him a couple questions about it.

25 MR. PHILBRICK: Fine.

Page 197

1 CAMPOS

2 **Q. Have you ever seen this document**

3 **before, sir?**

4 A. I don't recall, sir.

5 **Q. Just for the record, it's a letter**

6 **dated May 11, 2004 from Thomas Porzio to**

7 **John D'Allessandro and the subject matter of**

8 **the letter is "notice of completion of ITI**

9 **work," and it's been previously marked in**

10 **Mr. Porzio's deposition as Exhibit No. 15.**

11 A. To supplement my answer, I notice

12 before you even said it that it was Porzio's

13 exhibit and I may have seen it in reading his

14 deposition.

15 **Q. Okay. According to this letter,**

16 **the Phase I repairs were completed on May 11,**

17 **2004. Do you see that?**

18 A. That's what the first paragraph

19 says, yes.

20 **Q. And do you know whether after the**

21 **Phase I repairs were completed whether the**

22 **bypass was removed and the pipe was put into**

23 **use?**

24 A. No, sir.

25 **Q. Did you make any inquiry in terms**

50 (Pages 194 to 197)



<p style="text-align: right;">Page 198</p> <p>1 CAMPOS</p> <p>2 of whether the pipe was used in calculating</p> <p>3 the damages in this case?</p> <p>4 A. No, sir.</p> <p>5 Q. Do you know whether Insituform made</p> <p>6 any delay cost request in connection with its</p> <p>7 Phase I work?</p> <p>8 A. To D'Allessandro or to whom?</p> <p>9 Q. To the MWRA through D'Allessandro?</p> <p>10 A. I don't recall.</p> <p>11 Q. Let me just show you a couple of</p> <p>12 documents that have also been previously</p> <p>13 marked Porzio Exhibit 16 and 17.</p> <p>14 A. Yes, sir.</p> <p>15 Q. Have you had a chance to look at</p> <p>16 Porzio Exhibit 16 and Porzio Exhibit 17?</p> <p>17 A. I've looked at 16, the letter,</p> <p>18 which is DO 8812 Bates No'd.</p> <p>19 Q. That's the letter dated June 4,</p> <p>20 2004?</p> <p>21 A. Yes, from Insituform.</p> <p>22 Q. From Tom Porzio to</p> <p>23 John D'Allessandro.</p> <p>24 A. Correct.</p> <p>25 Q. Concerning the delay cost request?</p>	<p style="text-align: right;">Page 200</p> <p>1 CAMPOS</p> <p>2 taken before that date.</p> <p>3 Q. They were?</p> <p>4 A. Yeah, so I couldn't have seen it</p> <p>5 before I wrote my report.</p> <p>6 Q. Well, I was just asking whether --</p> <p>7 A. No.</p> <p>8 Q. -- you might have reviewed these</p> <p>9 documents in connection with preparing your</p> <p>10 report?</p> <p>11 A. No.</p> <p>12 MR. PHILBRICK: Objection to form.</p> <p>13 Q. Based on the June 4th letter, which</p> <p>14 is part of Exhibit No. 16, it appears that</p> <p>15 Insituform requests that additional</p> <p>16 compensation.</p> <p>17 Do you see that?</p> <p>18 A. Yes.</p> <p>19 Q. In the amount of approximately</p> <p>20 \$79,000 roughly.</p> <p>21 Do you see that?</p> <p>22 A. Yes, sir.</p> <p>23 Q. Do you know whether the MWRA</p> <p>24 granted this request, sir?</p> <p>25 A. No, I do not.</p>
<p style="text-align: right;">Page 199</p> <p>1 CAMPOS</p> <p>2 A. I'm sorry?</p> <p>3 Q. Do you see the reference there to,</p> <p>4 the subject matter is "delay cost request"?</p> <p>5 A. Yes, I see that. And with respect</p> <p>6 to 17, essentially a one-page document which</p> <p>7 is a letter from D'Allessandro to the</p> <p>8 construction coordinator at MWRA, dated</p> <p>9 June 8, 2004, four days after Exhibit 16.</p> <p>10 Q. And that's a letter, looks like</p> <p>11 from Brian Albert of D'Allessandro to</p> <p>12 Michael DelPrete of the MWRA; is that</p> <p>13 correct?</p> <p>14 A. Yes.</p> <p>15 Q. It's been previously marked as</p> <p>16 Porzio Exhibit No. 17. With respect to both</p> <p>17 of these documents, sir, Porzio Exhibit</p> <p>18 No. 16 and Porzio Exhibit No. 17, have you</p> <p>19 ever seen these documents before?</p> <p>20 A. I believe I may have seen them in</p> <p>21 reading Porzio's exhibit, yes -- Porzio's</p> <p>22 deposition transcript, yes.</p> <p>23 Q. Did you see these documents before</p> <p>24 preparing your report, dated May 22, 2006?</p> <p>25 A. No. I think the depositions were</p>	<p style="text-align: right;">Page 201</p> <p>1 CAMPOS</p> <p>2 Q. Do you know whether these costs are</p> <p>3 included in the costs Insituform is seeking</p> <p>4 in this lawsuit against American Home?</p> <p>5 A. I would have to, in order to answer</p> <p>6 that question properly, I would have to</p> <p>7 analyze Exhibit 1 which is attached to the</p> <p>8 June 4th letter and trace those amounts to</p> <p>9 the claim documentation before I could</p> <p>10 honestly answer that question.</p> <p>11 Q. Now, if Insituform received</p> <p>12 additional compensation in the amount of</p> <p>13 \$79,000, would that affect any of your</p> <p>14 opinions in terms of the amount recoverable</p> <p>15 against American Home in this case?</p> <p>16 A. Only if the elements that comprise</p> <p>17 the additional compensation are in the claim</p> <p>18 and they weren't reduced for some reason or</p> <p>19 another, it might have an affect.</p> <p>20 Q. If, in other words, the costs of</p> <p>21 \$79,000 are included in the claim that's been</p> <p>22 presented to American Home and they have</p> <p>23 received additional, Insituform had received</p> <p>24 additional compensation in that amount, it</p> <p>25 may have an affect on your opinions in this</p>

51 (Pages 198 to 201)



<p style="text-align: right;">Page 202</p> <p>1 CAMPOS</p> <p>2 case; is that correct?</p> <p>3 A. May have, yes.</p> <p>4 Q. How would it affect your opinions?</p> <p>5 A. How may it affect my opinion, as I</p> <p>6 said earlier, if these amounts are in the</p> <p>7 claim, and as I look at Exhibit 1, which is</p> <p>8 marked Exhibit 1 which is part of Porzio's</p> <p>9 Exhibit 16, I see a 10 percent factor added,</p> <p>10 that's not a factor that's in the claim.</p> <p>11 In order to answer that correctly I</p> <p>12 would have to trace these amounts to the</p> <p>13 claim documentation to see, number one, that</p> <p>14 they are in there; and, number two, that</p> <p>15 there was in fact a reimbursement that was</p> <p>16 made by MWRA directly to Insituform or</p> <p>17 indirectly to Insituform.</p> <p>18 Q. But you would agree, if it's</p> <p>19 Insituform was already paid by MWRA for this</p> <p>20 work, it would not be appropriate for</p> <p>21 Insituform to seek compensation from</p> <p>22 American Home in this amount; is that</p> <p>23 correct?</p> <p>24 A. If as I said earlier, if these</p> <p>25 amounts are in fact in the claim in their</p>	<p style="text-align: right;">Page 204</p> <p>1 CAMPOS</p> <p>2 Q. Have you had a chance to look at</p> <p>3 this document that has been marked as Porzio</p> <p>4 Exhibit 21 and Mangels Exhibit 5?</p> <p>5 A. Yes.</p> <p>6 Q. Do you recognize this document,</p> <p>7 sir?</p> <p>8 A. Not specifically, no, other than</p> <p>9 most likely saw it as part of the exhibit to</p> <p>10 the transcripts.</p> <p>11 Q. Under the subject line, it says</p> <p>12 "change order request."</p> <p>13 Do you see that?</p> <p>14 A. Yes.</p> <p>15 Q. Do you know what happened as a</p> <p>16 result of this request?</p> <p>17 A. No.</p> <p>18 Q. Do you have any information about</p> <p>19 how much money was spent on this repair</p> <p>20 that's described in this letter?</p> <p>21 A. No, there's no quantification in</p> <p>22 the letter.</p> <p>23 Q. No.</p> <p>24 A. And I'm not aware of what was</p> <p>25 spent, if any, okay.</p>
<p style="text-align: right;">Page 203</p> <p>1 CAMPOS</p> <p>2 entirety.</p> <p>3 Q. Okay. Fair enough. Let's turn to</p> <p>4 the next document that was also marked in</p> <p>5 Mr. Porzio's deposition and in Mr. Mangels</p> <p>6 deposition, so I won't mark it again unless</p> <p>7 necessary. I suspect you've never seen this</p> <p>8 before.</p> <p>9 For the record, this is a letter</p> <p>10 dated March 31, 2006, from Thomas Porzio to</p> <p>11 T.J. Shea, D'Allessandro Corp., "Re: Change</p> <p>12 of Order Request," and it's been previously</p> <p>13 marked in the Porzio deposition as Exhibit 21</p> <p>14 and in the Mangels deposition as Exhibit 5.</p> <p>15 MR. PHILBRICK: Do you have a copy</p> <p>16 that shows the Bate stamp at the bottom</p> <p>17 of the page, mine cuts it off?</p> <p>18 MR. DESCHENES: It's kind of cut</p> <p>19 off generally, but it say it was</p> <p>20 ITI AIG I believe 009840.</p> <p>21 Does that correspond with yours?</p> <p>22 MR. PHILBRICK: That just tells me</p> <p>23 where. It's fine. Mine the code is cut</p> <p>24 off, I can't see.</p> <p>25 A. Yes, sir.</p>	<p style="text-align: right;">Page 205</p> <p>1 CAMPOS</p> <p>2 Q. And I assume you don't know whether</p> <p>3 this amount was included in the cost</p> <p>4 Insituform is seeking in this lawsuit against</p> <p>5 American Home; is that correct?</p> <p>6 A. That's correct. This is dated</p> <p>7 March 31, 2006. That's correct.</p> <p>8 Q. Did anyone at Insituform bring this</p> <p>9 to your attention?</p> <p>10 A. Not that I can recall.</p> <p>11 Q. If Insituform had received</p> <p>12 additional compensation in response to this</p> <p>13 request, would that fact affect any of your</p> <p>14 opinions in this case?</p> <p>15 A. Insituform was looking for a change</p> <p>16 order under the contract. Again, if these</p> <p>17 amounts were in the claim and if they</p> <p>18 received compensation for it then it could</p> <p>19 possibly affect my opinion.</p> <p>20 Q. How would it affect your opinion?</p> <p>21 A. If the item was in the claim and</p> <p>22 they got paid for it, it may reduce the</p> <p>23 claim, I don't know without looking at all</p> <p>24 the facts, all the circumstances behind this,</p> <p>25 okay.</p>

52 (Pages 202 to 205)

<p style="text-align: right;">Page 206</p> <p>1 CAMPOS</p> <p>2 Q. Okay. Done with that. What did</p> <p>3 you do to prepare for your deposition today?</p> <p>4 A. I met with Mr. Philbrick yesterday,</p> <p>5 spoke with Mr. Mangels over the phone, and</p> <p>6 included in part of the meeting with</p> <p>7 Mr. Philbrick was my partner Mehgan Siri, who</p> <p>8 was sitting in on parts of it, only parts of</p> <p>9 it, not all of it, and reviewed some of the</p> <p>10 documents and my report.</p> <p>11 Q. Do you recall which documents you</p> <p>12 reviewed?</p> <p>13 A. I recall reviewing the production,</p> <p>14 CNS production and basically my report.</p> <p>15 Q. And do you recall how long you met</p> <p>16 with Mr. Philbrick?</p> <p>17 A. Four, five hours.</p> <p>18 Q. And that was yesterday?</p> <p>19 A. Yesterday. And I think I also</p> <p>20 looked at Mr. Kelley's affidavit and</p> <p>21 American Home's motion.</p> <p>22 Q. Do you recall looking at any other</p> <p>23 documents in preparation for your deposition?</p> <p>24 A. I don't believe there were any</p> <p>25 others. On the table were the deposition</p>	<p style="text-align: right;">Page 208</p> <p>1 CAMPOS</p> <p>2 A. No, sir, no other issues is what I</p> <p>3 answered.</p> <p>4 Q. Okay.</p> <p>5 MR. DESCHENES: Let me just take a</p> <p>6 few moments and see if I have any</p> <p>7 follow-up questions, Charlie, but I</p> <p>8 think I'm about done.</p> <p>9 (Recess taken 3:16 until 3:21.)</p> <p>10 MR. DESCHENES: From the witness's</p> <p>11 testimony it appears that Mr. Campos was</p> <p>12 provided with some binders early on in</p> <p>13 which he ferreted out certain cost items</p> <p>14 he testified about, you know, going from</p> <p>15 \$9 million to \$7 million.</p> <p>16 What I don't think we have,</p> <p>17 Charlie, is the original cost</p> <p>18 information that he had in doing his</p> <p>19 analysis and ferreted out certain cost</p> <p>20 items and I would request that on the</p> <p>21 record. I can follow-up in a letter to</p> <p>22 you, as well.</p> <p>23 The other piece of information I'd</p> <p>24 request on the record is if there is a</p> <p>25 written agreement, engagement letter of</p>
<p style="text-align: right;">Page 207</p> <p>1 CAMPOS</p> <p>2 transcripts, but I'm not sure I referred to</p> <p>3 them yesterday.</p> <p>4 Q. And did you have any other prior</p> <p>5 meetings with Mr. Philbrick prior to your</p> <p>6 deposition?</p> <p>7 A. I think we may have met several</p> <p>8 weeks ago in anticipation of my then</p> <p>9 deposition, looking at the similar documents.</p> <p>10 Q. Okay. Do you recall what it is you</p> <p>11 discussed?</p> <p>12 A. You know, just preparation for the</p> <p>13 deposition, you know, tell the truth, nothing</p> <p>14 but the truth, period.</p> <p>15 Q. You mentioned a conversation with</p> <p>16 Mr. Mangels. What is it that you discussed</p> <p>17 with Mr. Mangels?</p> <p>18 A. When he might come up with the</p> <p>19 actual costs and documentation underlying the</p> <p>20 closeout costs that we referred to earlier.</p> <p>21 Q. Did you discuss with him any other</p> <p>22 issues related to the case?</p> <p>23 A. No, sir.</p> <p>24 Q. Did you discuss with him the issues</p> <p>25 related to fixed versus variable costs?</p>	<p style="text-align: right;">Page 209</p> <p>1 CAMPOS</p> <p>2 any kind between either Insituform and</p> <p>3 Mr. Campos, or your office and</p> <p>4 Mr. Campos, I'd ask for a copy of that.</p> <p>5 MR. PHILBRICK: You already asked</p> <p>6 for that.</p> <p>7 MR. DESCHENES: I know, I know.</p> <p>8 MR. PHILBRICK: And you also asked</p> <p>9 for an update of his been deposed stuff,</p> <p>10 as well.</p> <p>11 MR. DESCHENES: Yeah, I asked for</p> <p>12 that, his list of cases, I asked for an</p> <p>13 update on that, as well. And obviously</p> <p>14 to the extent Mr. Campos is going to</p> <p>15 supplement his opinion, it sounds like</p> <p>16 he is going to supplement his opinion in</p> <p>17 some fashion, we reserve the right to</p> <p>18 call him back and ask questions about</p> <p>19 supplemental aspects of his opinion.</p> <p>20 With that, I am done.</p> <p>21 MR. PHILBRICK: I have no</p> <p>22 questions.</p> <p>23 -o0o-</p> <p>24 (Whereupon, the deposition of</p> <p>25 CHRIS CAMPOS, CPA, was concluded at</p>

53 (Pages 206 to 209)

<p style="text-align: right;">Page 210</p> <p>1 CAMPOS</p> <p>2 3:23 p.m.)</p> <p>3</p> <p>4</p> <p>5 <u>CHRIS CAMPOS, CPA</u></p> <p>6</p> <p>7 Subscribed and sworn to before me</p> <p>8 this ____ day of _____, 2007.</p> <p>9</p> <p>10 _____</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">Page 212</p> <p>1</p> <p>2 ----- I N D E X -----</p> <p>3 WITNESS EXAMINATION BY PAGE</p> <p>4 CHRIS CAMPOS MR. DESCHENES 4</p> <p>5</p> <p>6 ----- INFORMATION REQUESTS -----</p> <p>7 DIRECTIONS:</p> <p>8 RULINGS:</p> <p>9 TO BE FURNISHED:</p> <p>10 REQUESTS: 53, 108, 209</p> <p>11 MOTIONS:</p> <p>12 ----- EXHIBITS -----</p> <p>13 CAMPOS EXHIBITS DESCRIPTION FOR ID.</p> <p>14 Exhibit 1 Document 31</p> <p>15 Exhibit 2 Document 52</p> <p>16 Exhibit 3 Document 65</p> <p>17 Exhibit 4 Document 80</p> <p>18 Exhibit 5 Document 114</p> <p>19 Exhibit 6A - 6D Document 117</p> <p>20 Exhibit 7 Document 120</p> <p>21 Exhibit 8 Document 136</p> <p>22 Exhibit 9 Document 147</p> <p>23 Exhibit 10 Document 150</p> <p>24 Exhibit 11 Document 167</p> <p>25</p>
<p style="text-align: right;">Page 211</p> <p>1</p> <p>2 C E R T I F I C A T E</p> <p>3 STATE OF NEW YORK )</p> <p>4 : ss.</p> <p>5 COUNTY OF NEW YORK )</p> <p>6</p> <p>7 I, Toni Allegrucci, a Notary Public</p> <p>8 within and for the State of New York, do</p> <p>9 hereby certify:</p> <p>10 That CHRIS CAMPOS, the witness</p> <p>11 whose deposition is hereinbefore set</p> <p>12 forth, was duly sworn by me and that</p> <p>13 such deposition is a true record of the</p> <p>14 testimony given by the witness.</p> <p>15 I further certify that I am not</p> <p>16 related to any of the parties to this</p> <p>17 action by blood or marriage, and that I</p> <p>18 am in no way interested in the outcome</p> <p>19 of this matter.</p> <p>20 IN WITNESS WHEREOF, I have hereunto</p> <p>21 set my hand this 23rd day of May, 2007.</p> <p>22</p> <p>23 <u>TONI ALLEG RUCCI</u></p> <p>24</p> <p>25</p>	<p style="text-align: right;">Page 213</p> <p>1</p> <p>2 EXHIBITS CONT'D:</p> <p>3</p> <p>4 CAMPOS EXHIBITS DESCRIPTION FOR ID.</p> <p>5 Exhibit 12 Document 173</p> <p>6 Exhibit 13 Document 191</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>

54 (Pages 210 to 213)